

This Agreement made and entered into this June 19<sup>th</sup>, 2014

BETWEEN:

ALGOMA CENTRAL RAILWAY INC.

(hereinafter referred to as the "Employer")

of the FIRST PART

-and-

TEAMSTERS CANADA RAIL CONFERENCE – CONDUCTORS, TRAINPERSONS AND YARD  
PERSONS (TCRC-CTY)

(hereinafter referred to as the "Union")

of the SECOND PART

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## ARTICLE 1

### PURPOSE

- 1.01 The purpose of this Agreement is to provide orderly collective bargaining relations between the Employer and its employees covered by this Agreement through the Union signatory hereto, to secure prompt and fair disposition of grievances, to secure the efficient operation of the Employer's business without interruption or interference with work and to provide fair salaries, hours and working conditions for the employees. It is recognized by this Agreement to be the duty of the Employer, the Union and the employees to co-operate fully, individually and collectively for the advancement of the said conditions.
- 1.02 The parties recognize and acknowledge the importance of the Company's main resource, its skilled staff. The Company therefore supports the personal and professional development of its people. All parties believe that a successful employment relationship is based on goodwill and mutual respect and are committed to work towards that end.
- 1.03 In this Agreement words importing the singular shall include the plural and vice versa where the context requires. Words importing the masculine gender shall include the feminine where the context requires.

## ARTICLE 2

### RECOGNITION

- 2.01 The employer recognizes the Union as the bargaining agent for those employees in the classifications designated:

#### **1. Transportation**

TCRC-CTY	Conductor A
TCRC-CTY	Conductor B
TCRC-CTY	Baggage Handler

- 2.02 The Company shall maintain the following seniority lists:
- (i) Conductors (TCRC-CTY)

## ARTICLE 3

### MANAGEMENT RIGHTS

- 3.01 The Union recognizes and acknowledges that the management of the Railway and direction of the working forces are fixed exclusively on the Employer unless limited herein or by mutual agreement reached through the consultation process.

## ARTICLE 4

### DEDUCTION OF DUES

4.01 The Employer shall deduct on the payroll for the pay period, which contains the 10th day of each month from wages due and payable to each employee coming within the scope of this Agreement an amount equivalent to the uniform monthly dues of the Union subject to the conditions and exceptions set forth hereunder.

4.02 (a) The amount to be deducted shall be equivalent to the uniform regular dues payment of:

TCRC-CTY

signatory to this agreement covering the classification in which the employee concerned is engaged and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of the application agreement excepting to conform to a change in the amount of regular dues of the Union in accordance with the constitutional provisions. The provisions of this Article shall be applicable to the Union on receipt by the Railway concerned of notice in writing from the Union of the amount of regular monthly dues.

(b) Employees filling positions of a Supervisory or confidential nature not subject to all the rules of the applicable agreement as may be mutually agreed between the designated Officers of the individual Railway and of the Union shall be excepted from dues deduction.

(c) Membership in the Union shall be available to any employee eligible under the constitution of the Union on payment of the initiation or re-instatement fees uniformly required of all other such applicants by the local division concerned. Membership shall not be denied for reasons of race, national origin, colour or religion.

(d) Deductions from new employees shall commence on the payroll for the first pay period that contains the 10th day of the month.

(e) The amounts of dues so deducted from wages, accompanied by a statement of deductions from individuals, shall be remitted by the Employer to the office of the appropriate Union, not later than forty (40) calendar days following the pay period in which deductions are made.

(f) The Railway shall not be responsible, financially or otherwise, either to the Union or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages, the Railway shall adjust it directly with the employee. In the event of any mistake by the Railway in the amount of its remittance to the Union, the Railway shall adjust the amount in a subsequent remittance. The Railway's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amounts payable to the designated Officer or Officers of the Union.

- (g) In the event of any action at law against the parties hereto or any of them resulting from any deduction or deductions from payrolls made or to be made by the Railways pursuant to the first paragraph of this Article, all parties shall co-operate fully in the defence of such action. Each party shall bear its own cost of such defence except that if, at the request of the Union counsel fees are incurred, these shall be borne by the Union. Save as aforesaid, the Union, jointly or severally shall indemnify and save harmless the Railways and each of them from any losses, damages, costs liability of expenses suffered or sustained by them or any of them as a result of any such deduction or deductions from payrolls.
- (h) Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Railway, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.
- (i) If the wages of an employee payable on the payroll, which contains the 10th day of any month, are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Railways in such month. The Railway shall not, because the employees did not have sufficient wages payable to them on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

#### **ARTICLE 5**

#### **NO STRIKES OR LOCK-OUTS**

- 5.01 In view of the orderly procedure established by this Agreement for the settling of disputes and the handling of grievances, the Union agrees that, during the lifetime of this Agreement, there will be no strike, slowdown or stoppage of, or interference with work, or production, either complete or partial, and the Employer agrees that there will be no lock-out of employees.

#### **ARTICLE 6**

#### **NO DISCRIMINATION & EMPLOYMENT EQUITY**

- 6.01 There shall be no discrimination, intimidation or coercion by the Employer or the Union or an employee against any employee by reason of age, marital status, race, colour, national or ethnic origin, political or religious affiliation, sex, family status, pregnancy, disability, union membership, sexual orientation or conviction for which a pardon has been granted.
- 6.02 It is agreed that the terms *discrimination* and *harassment* as used in this Rule, shall be as defined and interpreted in the Canada Human Rights Act.

## ARTICLE 7

### SENIORITY

- 7.01 Service shall mean an employee's length of continuous service with the Employer. An employee shall maintain and accumulate seniority while he is in the employ of the Employer after he has completed his probationary period, as set out in Article 7.02. Unless otherwise expressed, seniority shall be applied in accordance with Article 2.02.
- 7.02 A newly hired employee shall serve a probationary period of sixty-five (65) working days and shall have no seniority rights during this period. Upon completion of the probationary period, a new employee shall have his seniority dated back to this original date of hire by the Employer. Probationary employees may be disciplined or discharged by the Employer in its sole discretion, provided that such discipline or discharge is not discriminatory, arbitrary, or in bad faith.
- 7.03 In determining seniority under this Agreement, the Employer agrees to recognize the length of continuous service with the Algoma Central Railway of any employee it hires. The Employer shall recognize such seniority on the basis of filling positions in the various classifications based on the predominant duties of the position it is filling, hiring such employees from the classifications where such predominant duties and skills had existed on the ACR.
- 7.04 In the filling of new positions or vacant positions (other than short term vacancies covered under the other parts of this agreement) the following criteria, in order of priority will apply, unless otherwise specified in the collective agreement:
- a) The position will be awarded to the employee with highest seniority within the classification provided that he meets the minimum requirements necessary to fill the vacancy.
  - b) Where there are no applicants from within the classification for such a position, the senior applicant from within the bargaining unit, based on date of entry into the service, will be awarded the position provided he meets the minimum requirements necessary to fill the vacancy.
  - c) Where there are no applicants from the active employees from within the bargaining unit, an employee on lay-off status who holds seniority in the specific bargaining unit where the vacancy exists who meets the minimum requirements necessary to fill the vacancy, will be recalled to fill the position.
  - d) Where there are no applicants from within the bargaining unit for such a position, and no one laid off in that bargaining unit, qualified for the vacancy, the senior applicant from within the coverage of this agreement, based on date of entry into the service, will be awarded the position, providing he meets the minimum requirements necessary to fill the vacancy.
  - e) The standards of qualification, training and familiarization will be developed through consultation between the Company and the appropriate union officer.
  - f) In all cases of layoff, employees will be laid off in reverse seniority order.
  - g) In all cases of recall, employees will be recalled in seniority order.

- 7.05 Seniority, once established for an employee, shall be forfeited under the following conditions and his employment shall be terminated:
- (i) if he voluntarily quits;
  - (ii) if he is discharged and not reinstated through the Grievance Procedure;
  - (iii) if he fails to report for duty after a lay-off in accordance with the provisions of this Agreement, unless he provides an explanation satisfactory to the Employer, or
  - (iv) if forty-eight (48) months have elapsed since layoff. However, if the employer receives a written application from an employee requesting to remain on the seniority list for recall purposes, prior to the expiration of said forty-eight months, his/her name will be kept on the list. Thereafter, the employee must advise the Company (with a copy to the Union) prior to January 31<sup>st</sup> of each subsequent year of his/her desire to remain on the list for an additional year (March to February).

Note: The Company will advise all employees presently laid off, by letter to the address on file, of this change.

- 7.06 Employees shall, unless otherwise provided herein or by agreement between the Employer and the Union, hold and accumulate seniority in the individual classification in which they were hired. Where employees take positions or promotions in other classifications with the Employer they shall accumulate seniority in the classifications in which they have been hired, transferred, or promoted to, for the time actually served in that bargaining unit.
- 7.07 The Employer shall, once a year, on March 1, publish seniority rosters of the respective classifications. Employees or their representatives must handle any exceptions to such roster(s) through the grievance procedure provided herein.
- 7.08 Notwithstanding anything contained in this Agreement, nothing shall preclude or limit the type of work, which an employee may be required to perform. An employee shall be classified according to the predominant duties he performs. The utilization of this Article will not alter the scope of the employees' union or adversely affect the employees' recall rights.
- 7.09 Former employees of the ACR not hired by the Employer at the time it commences operation of the Railway will have the first opportunity for vacancies at the Employer which may become available and for which they are qualified, for a period of four (4) years from the date of severance by ACR.
- 7.10 In the case of two employees hired on the same day, preference will be given to the employee with the greatest previous experience with the Employer. In the case of two new hires, the employee whose application is received first shall be given preference.
- 7.11 The Employer shall recall employees by registered mail to the last known address of the employee. It shall be the responsibility of the employee to keep the Employer advised in writing of his address. The employee shall indicate to the Employer within seven (7)



days of such notice of recall his intention to return to work and shall present himself for work within seven (7) days of giving notice of intention to return. Employees who are employed by another employer at the time of recall, will be allowed 14 calendar days from the date he receives this notification of recall by ACR, to present himself, only if required to give formal notice to the current employer.

- 7.12 The Employer shall give employees a minimum of five (5) working days notice of lay-off.
- 7.13 Any employee who has been advised in writing by the Company that his return to work is unlikely, may elect to receive severance pay as outlined in the Canada Labour Code, provided he abandons his recall rights under the collective agreement, and terminates his employment with the Company.

## **ARTICLE 8**

### **POSTING**

- 8.01 a) When the Employer determines that a job vacancy in the bargaining unit exists, the employer will post a notice of the vacancy for a period of five (5) working days on bulletin boards designed for this purpose and/or voice mail box designed for this purpose. The notice will specify the nature of the job, qualifications required and the position's salary range.
- b) An employee who wishes to be considered for the position so posted shall signify his desire by making formal application to the supervisor specified on the notice within the five day posting on a form supplied by the Employer. However, a temporary vacancy of thirty (30) workdays or less shall be filled by the employer in consultation with the union.
- 8.02 Employees in the service, if qualified, will be given preference for promotion to position as supervisor when vacancies occur.
- 8.03 Employees may lodge with Human Resources applications for transfer to other positions. This application will remain valid for six months.

## **ARTICLE 9**

### **INVESTIGATION & DISCIPLINE**

- 9.01 Employees will not be disciplined or dismissed until the charges against them have been investigated. Employees may, however, be held off for investigation not exceeding 3 days and will be properly notified, in writing and at least 48 hours in advance, of the charges against them. Investigations, as contemplated under article 9.02, will only be scheduled to start between 0800 and 1700 hours, where the employee being investigated normally reports for duty, or as otherwise if mutually agreed upon between the Local Chairperson and the Company.

9.02

- a) Employees may have an accredited representative to appear with them at investigations, will have the right to hear all of the evidence submitted and will be given an opportunity through the presiding officer to ask questions of witnesses whose evidence may have a bearing on the employee's responsibility. Questions and answers will be recorded and the employee will be furnished with a transcript or audio recording of the statement taken at the investigation. At an investigation, the investigating company officer or the employees shall have the right to record, at their own expense, the investigation proceedings on a recording device. This provision will not be used to delay or postpone the investigation proceedings.
- b) An employee under Company investigation and/or his/her accredited representative shall have the right to attend any company investigation, which may have a bearing on the employee's responsibilities. The employee or their accredited representative shall have a right to ask any questions of any witness/employee during such investigation relating to the employee's responsibilities.
- c) At the outset of the investigation, the employee will be provided with all evidence the Company will be relying upon, which may result in the issuing of discipline. The Company will provide sufficient time for the employee and his representative to review the evidence.
- d) When the Local Chairman of the union requests a copy of the discipline history of an employee who has a pending investigation, the discipline history shall be provided.

9.03

- a) Unless otherwise mutually agreed, employees must be advised in writing of the decision within 28 days from the date the employee's statement is completed. If a decision is not rendered within 28 days, the employee will be considered to be exonerated. When a request for an extension in the time limit is made, concurrence will not be unreasonably withheld.
- b) If not satisfied with the decision, employees will have the right to appeal in accordance with the grievance procedure. On request, the General Chairperson will be shown all evidence in a particular case.

9.04 In case discipline or dismissal is found to be unjust, employees will be exonerated, reinstated if dismissed, and paid as follows:

- (i) Employees in conductor A classification will be paid per month or portions thereof – pro-rated, at the basic rate of the respective position held at the time the discipline or dismissal was assessed.
- (ii) Employees in conductor B classification will be paid 40 hours per week or portions thereof – pro-rated, at the basic rate of the respective position held at the time the discipline or dismissal was assessed.

9.05 When employees are to be disciplined, the discipline will be put into effect within 30 days from the date investigation is held.

9.06 It is understood that the investigation will be held as quickly as possible, and the layover time will be used as far as practicable.

- 9.07 Employees will not be held out of service pending rendering of decision except in cases of dismissable offenses.
- 9.08
- (a) Employees will not be taken away from their home terminal for investigation except when the situation renders such action unavoidable.
  - (b) An employee who is instructed to report for investigation at a location other than his home terminal whether or not responsibility in the matter under investigation is subsequently attached, i.e., subject to discipline, shall nevertheless be paid for actual time spent travelling hour for hour, up to a maximum cumulative total of 8 hours in each 24 hours, at a rate per hour of 1/8th of the daily rate.
- 9.09 Employees required to attend Company statements and/or investigations at the direction of the Company:
- a) During regular working hours will suffer no loss of pay
  - b) During a rest day will be compensated for actual time occupied at the hearing at overtime rates
  - c) Prior to or subsequent to a work shift will be compensated for actual time occupied at the hearing at overtime rates

## **GRIEVANCE PROCEDURE**

9.10 In the application of this Article, grievances concerning the interpretation or alleged violation of this Agreement shall be processed in accordance with paragraph 9.11 except that:

- (a) appeals against discipline will be initiated at Step 2 of the Grievance Procedure;
- (b) appeals against discharge, suspension, demerit marks in excess of 30 or demerit marks which result in discharge for accumulation of demerits, restrictions (including medical restrictions) and conditions of "mobile accommodation" (i.e. whether or not they are comfortable and sanitary), will be initiated at Step 3 of the Grievance Procedure.

9.11

(a) **Step 1 - Presentation of Grievance to Immediate Supervisor**

- (1) within 60 calendar days from the date of cause of grievance the employee or the Local Chairperson may present the grievance in writing to the immediate supervisor;
- (2) the grievance shall include a written statement of grievance as it concerns the interpretation or alleged violation of the agreement and identify the specific provisions involved;
- (3) the supervisor will give his decision in writing within 60 calendar days of receipt of the grievance. In case of declination the supervisor will state his reasons for the decision in relation to the statement of grievance submitted;

- (4) time claims which have been declined or altered by an immediate supervisor or his delegate, will be considered as being handled at Step 1.

**NOTE:** When disputed time claims are submitted at Step 1, the Agreement reference including the Article number under the provisions of which the claim is made must be quoted (i.e.: Runaround ,Called and Cancelled, etc).

**(b) Step 2 - Appeal to District Superintendent (Transportation)**

- (1) within 60 calendar days of the date of the decision under Step 1, or in the case of an appeal against discipline imposed within 30 calendar days of the date on which the employee was notified of the discipline assessed, the Local Chairperson may appeal the decision in writing to the District Superintendent (Transportation);
- (2) the appeal shall include a written statement of grievance as it concerns the interpretation or alleged violation of the agreement, and identify the specific provisions involved. The written statement in the case of an appeal against discipline imposed shall outline the Union's contention as to why the discipline should be reduced or removed;
- (3) the decision will be rendered in writing within 60 calendar days of receipt of the appeal. In case of declination, the decision will contain the Company's reasons in relation to the written statement of grievance submitted;

**(c) Step 3 - Appeal to Vice-President**

- (1) within 60 calendar days of the date of decision under Step 2 the General Chairperson may appeal the decision in writing to the Regional Vice-President. The appeal shall be accompanied by the Union's contention and all relevant information concerning the grievance and shall:
- (2) if agreed between the General Chairperson and the Vice-President or their respective delegates, be examined at a joint meeting within 60 calendar days of the date of the appeal. The Vice-President shall render his decision in writing within 30 calendar days of the date on which the meeting took place; or
- (3) should the General Chairperson or the Vice-President consider that a meeting on a particular grievance is not required he will so advise the other accordingly. In the event a meeting is not agreed to the Vice-President shall render his decision in writing within 60 days of the date of the appeal.

**NOTE:** The Company must respond to the Union's grievance particulars at each Step of the Grievance Procedure.

## **Final Settlement of Disputes**

- 9.12 A grievance which is not settled at the Vice-President's Step of the grievance procedure may be referred by either party to the Canadian Railway Office of Arbitration for final and binding settlement without stoppage of work.

(Refer to Letter 13)

- 9.13 A request for arbitration shall be made within 60 calendar days from the date decision is rendered in writing by the Vice-President by filing written notice thereof with the Canadian Railway Office of Arbitration and on the same date a copy of such filed notice will be transmitted to the other party to the grievance.

**NOTE:** In the application of this paragraph upon receipt of a request for arbitration, the Company will meet with the General Chairperson, within 30 calendar days from receipt of such request, to finalize the required Joint Statement of Issue. Failure to comply with the provisions of this paragraph will permit either party to the dispute to progress the dispute to the Canadian Railway Office of Arbitration on an "ex parte basis" pursuant to the provisions of the Memorandum of Agreement governing the Canadian Railway Office of Arbitration.

## **Grievances Not Timely**

- 9.14 Any grievance not progressed by the Union within the prescribed time limits shall be considered settled on the basis of the last decision and shall not be subject to further appeal. The settlement of a grievance on this basis will not constitute a precedent or waiver of the contentions of the Union in that case or in respect of other similar claims. Where a decision is not rendered by the appropriate officer of the Company within the prescribed time limits, the grievance may, except as provided in paragraph 9.15, be progressed to the next step in the grievance procedure.

## **Disputed Time Claims**

- 9.15 In the application of paragraph 9.11 to a grievance concerning an alleged violation which involves a disputed time claim, if a decision is not rendered by the appropriate officer of the Company within the time limits specified, such time claim will be paid. Payment of time claims in such circumstances will not constitute a precedent or waiver of the contentions of the Company in that case or in respect of other similar claims.

## **General**

- 9.16 Where provision is made in this Article for the appeal of a grievance to a designated Company officer, the Company may substitute another Regional or District officer for the officer designated by advising the General Chairpersons concerned in writing.
- 9.17 The settlement of a grievance shall not under any circumstances involve retroactive pay beyond a period of 90 calendar days prior to the date that such grievance was submitted at the first applicable Step of the grievance procedure.
- 9.18 Time limits specified in this Article may be extended by mutual agreement.

- 9.19 When a recorded conversation may be relevant to the disposition of a grievance, the Local Chairperson may make a request to hear a specific recorded conversation. Such requests must be made within 60 days from the date of the conversation. Arrangements will then be made to permit the Local Chairperson to listen to the recorded conversation.
- 9.20 Committees consisting of the TCRC-CTY General Chairpersons (or his/her delegate), a TCRC-CTY member appointed by the General Chairperson and the Company's General Manager Operations and Director Labour Relations, or their respective designates, two from each party, will be established. This committee will be known as the Labour / Management Committee, and may (at each parties option) meet monthly, unless otherwise agreed, to review the application of the Collective Agreements.

## **ARTICLE 10**

### **TRANSPORTATION**

- 10.01 Transportation on the Company's passenger trains shall be provided in accordance with the existing policies of Algoma Central Railway Inc. Any changes to that policy will be made only after consultation with the Union.
- 10.02 Company will provide transportation on existing passenger trains for authorized Union representatives who are required to perform Union business for employees they represent.

## **ARTICLE 11**

### **LEAVE OF ABSENCE**

- 11.01 When the requirements of the service will permit, employees, on request, will be granted a personal leave of absence for a limited time with privilege of renewal.
- 11.02 Leave of absence under this rule shall not be granted for the purpose of engaging in work outside the Company except in cases involving sickness or other exceptional circumstances, when made the subject of mutual agreement between the proper officers of the Company and the General Chairman.
- 11.03 Any employee engaging in other employment while on leave, except with the consent of management and the union, shall be considered terminated.
- 11.04 The Company will not discriminate against any employees, who as authorized union representatives represent other employees and will grant them unpaid leave of absence and free transportation over the Company's lines when required to perform Union business.

## **ARTICLE 12**

### **JURY DUTY**

- 12.01 An employee who is summoned for jury duty and is required to lose time from his assignment as a result thereof, shall be paid for the actual time lost with a maximum of one day's pay for each day lost, less the amount allowed him for jury duty for each such day excluding allowances paid by the court for meals, lodging, parking, or transportation, subject to the following requirements and limitations:
- (a) An employee must furnish the Employer with a statement from the court, of jury allowances paid, and the days on which jury duty was performed.
  - (b) No jury duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. An employee's vacation will be re-scheduled at a time mutually agreed between the Employer and the employee, if it falls during jury duty and the employee requests a change, in writing, prior to commencing scheduled vacation.
- 12.02 When attending Court as witness for the Railway, or a Coroner's Inquest in cases where the Company is involved, or subpoenaed by the Crown in cases where the Company is involved, employees will receive pay for all time lost. The Company will be entitled to a certificate for witness fees in all cases.

## **ARTICLE 13**

### **BEREAVEMENT LEAVE**

- 13.01 Upon the death of an employee's spouse, child or parent, the employee shall be entitled to five (5) working days' bereavement leave without loss of pay provided that the employee has not less than three months' cumulative compensated service. Upon the death of an employee's brother, sister, step-parent, father-in-law, mother-in-law, step-brother or step-sister, grandchild or grandparent, the employee shall be entitled to three (3) working days' bereavement leave without loss of pay provided that the employee has not less than three months' cumulative compensated service. It is the intent of this Article to provide for the granting of leave from work on the occasion of a death as aforesaid, and for the payment of his regular wages for that period to the employee to whom leave is granted.
- 13.02 For the purposes of this Article 13.01, eligible spouse is defined as follows: the person who is legally married to the employee, provided that if there is no legally married spouse that is eligible it means the person that qualified as a spouse under the definition of that word in Section 2(1) of the Canadian Human Rights Benefits Regulations, so long as such person is residing with the employee.
- 13.03 If an employee is bereaved while on vacation, bereavement leave days shall not be included as part of the vacation period. The vacation days not taken will be rescheduled through mutual agreement between the Company and the employee.

## ARTICLE 14

### ANNUAL VACATION

- 14.01 The vacation year shall be from January 1, through December 31.
- 14.02 In determining vacation entitlement, the Employer will count an employee's length of service, if any, with the Algoma Central Railway
- 14.03 An employee who on the 31st day of December in each year has:
- (a) Less than twelve (12) months continuous service with the Employer shall receive one-half day for each completed month of service, up to a maximum of five (5) days with pay at his regular rate;
  - (b) One (1) year or more continuous service but less than five (5) years of continuous service with the Employer shall receive two (2) weeks' vacation per year with pay at his regular rate;
  - (c) Five (5) years or more continuous service but less than fourteen (14) years of continuous service with the Employer shall receive three (3) weeks' vacation per year with pay at his regular rate;
  - (d) Fourteen (14) years or more continuous service but less than twenty-three (23) years of continuous service with the Employer shall receive four (4) weeks' vacation per year with pay at his regular rate;
  - (e) Twenty-three (23) years or more of continuous service with the Employer shall receive five (5) weeks' vacation per year with pay at his regular rate;
  - (f) Twenty-nine (29) years or more of continuous service with the Employer shall receive six (6) weeks' vacation per year with pay at his regular rate;

Note: Any ACR employees hired by the Employer whose vacation entitlement at the time of hire by the Employer is in excess of the above, shall continue to receive their vacation benefit existing at their time of hire.

- 14.04 An employee becoming eligible for a second, third, fourth, fifth or sixth week of vacation in accordance with Article 14.03 is entitled to the additional week of vacation in the year in which the employee qualifies for the additional week.
- 14.05 Employees shall qualify for vacation based on their previous service. Vacation is earned in the year it is taken and may not be carried over to the following year.
- 14.06 Upon termination of an employee, any unused vacation will be paid. Unearned vacation already taken will be reimbursed to the Company from any moneys held back by the Company.
- 14.07 For purposes of qualifying for the various levels of vacation referred to in Article 14.03, periods of lay-off will not be deducted from continuous service. For purposes of vacation pay, time lost due to leave of absence or lay-off shall not be included. Vacation pay and



eligibility will be pro-rated on the basis of days worked as a percentage of total days of work for the year.

## **ARTICLE 15**

### **HOLIDAYS**

15.01 An employee who qualifies for a holiday with pay under the *Canada Labour Code* (except the requirement to work the full shift before and after) shall be entitled to the following holidays without loss of pay:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
Civic Holiday	Boxing Day

Furthermore, one additional general holiday will be granted to eligible employees. This holiday will be a "floating" general holiday, which will be granted on another day in the same calendar year. The timing of the floating general holiday will be as agreed between the employee and his/her immediate supervisor. Should they be unable to agree, the matter will be referred to the Superintendent, and the designated Union representative for settlement. If they cannot agree, the floating general holiday will be granted on the birthday of the employee, or the regular work day immediately following the employee's birthday, if the employee's birthday falls on his or her scheduled day of rest, or it shall be paid if the birthday has passed.

If an accredited union representative attends the investigation of an employee under Article 9 on any of the holidays specified in Article 15.01 that shall not disqualify the employee for holiday pay under this article. If the Company subsequently cancels the investigation, the accredited union representative will still be shown as available for the general holiday, so long as he is available to go to work.

15.02 An employee who is required to work on one of the above holidays shall receive additional pay at time and one half his regular rate of pay.

15.03 Where a paid holiday falls on an employee's day off or during his vacation, it shall be scheduled at a time mutually agreeable to the employee and his Manager, or shall be paid.

## **ARTICLE 16**

### **OVERTIME**

16.01 Overtime assigned by the Employer will be paid in accordance with the *Canada Labour Code* and permits issued under that legislation. Employees will be given the option of taking compensatory time off in lieu of receiving overtime pay in accordance with Article 25.01.

16.02 Employees called in from home to work overtime which is not in conjunction with their shift, will be provided with at least four (4) hours of work. Where practicable, the senior employee at the location will be offered the overtime subject to the Employer's undertaking to endeavour to distribute overtime equitably. Any other overtime policy may be arranged by mutual agreement.

16.03 Any hours worked in excess of sixteen (16) in a twenty-four (24) hour period shall be paid at the rate of double time.

16.04 If required to work overtime for more than three hours, continuous with the completion of an employee's regular shift, said employee will be allowed twenty minutes for a meal without loss of pay as soon as the nature of the service permits upon the completion of the second hour of overtime. Employees will be given as much advance notice as practicable that overtime will be required.

The allowance of twenty minutes upon the completion of the second hour will not apply in circumstances when an employee has accepted an overtime assignment to work a complete second shift. Under those circumstances the employee will adopt the normal meal break of that shift.

## **ARTICLE 17**

### **HEALTH & WELFARE**

17.01 The Employer shall pay 100% of the premium cost of the following benefits, for all employees who have completed their probationary period, during the term of this Agreement:

#### **Extended Health Care**

The Company will obtain a plan with coverage similar to a Green Shield plan. The plan shall have a ten (\$10.00) dollar single and twenty-five (\$25.00) dollar family deductible. The plan shall reimburse employees for 100% of the costs of those drugs covered by the plan, which are purchased by the employee.

#### **Life Insurance**

The Company will provide life insurance in the following amounts for employees who have compensated service with the Company on or subsequent to first day of the month following ratification.

- Effective February 1, 2009, the amount of life insurance will increase from \$36,000 to \$37,000.

#### **Allowance for Medical Leave**

Eighty (80%) percent of current rate of pay offset by any other benefits to which the employee is entitled for up to twenty-six (26) weeks in any one benefit year. Benefit

commences on fourth day of absence unless absence due to accident or hospitalization in which case benefit commences on first day of absence. Temporary and temporary part-time employees are not entitled.

### **Long Term Disability Insurance**

If an employee is disabled by non-work related illness or injury, Long Term Disability will be provided after initial 180 days on medical leave, on the following basis:

- (i) 50% of monthly salary (maximum \$5,000.00 month) offset by income from certain other sources (railroad retirement, social security benefits, etc.)
- (ii) subject to approval by LTD carrier
- (iii) this benefit shall be provided in accordance with the terms and conditions of the relevant policy, a copy of which will be made available to the Unions

### **Vision Care Plan**

The Company will provide a vision care plan for employees and their dependents 18 years of age and older on the basis of up to \$250 every twenty-four (24) months. For dependents under 18 years of age on the basis of up to \$250 every 12 months.

### **Hearing Care Plan**

This plan is payable at 100% after deductible. Hearing aids must be prescribed in writing by an otolaryngologist. The maximum amount payable in any 5 consecutive benefit years is \$500 for each person.

### **Dental Benefit Plan**

- i) Effective with treatment commencing on or after the first day of the month following ratification, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the Ontario Dental Association Fee Guides for calendar year 2009. The maximum annual benefit for the Dental Plan will be \$1575 for treatment commencing on or after the first day of the month following ratification.
- ii) Effective with treatment commencing on or after January 31, 2009, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the Ontario Dental Association Fee Guides for the year 2009. The maximum annual benefit for the Dental Plan will be \$1575 effective February 1, 2009.

Eligibility:	First day employed
Deductible:	\$50 per covered person \$100 per family
Preventive:	100% (Not subject to deductible)

Basic: 100% after deductible  
Major Restorative: 50% after deductible

### **Orthodontia**

Eligibility: No age restriction  
  
50% payment, lifetime maximum  
(Not subject to deductible)  
  
\$1,500 lifetime orthodontia benefit

17.02 The following benefits will be available to employees on a voluntary basis with 100% of the premium costs of the benefits to be paid by the employee:

### **Voluntary Life Insurance**

Life Insurance through payroll deduction in the amount of one or two times annual base salary. (Subject to insurance company medical approval).

Family life insurance may be purchased through payroll deduction, which provides for \$10,000.00 for spouse and \$5,000.00 for each eligible dependent. (Not subject to medical approval if enrolled within thirty-one days of eligibility.)

### **Voluntary Accidental Death & Dismemberment**

Employee may purchase additional AD&D through payroll deduction. This is available for employee only as well as employee and family with a maximum amount of \$300,000.

### **17.03 Pension Plan**

All employees will be members of the CN Pension Plan effective January 12, 2012.

## **ARTICLE 18**

### **EXPENSE REIMBURSEMENT**

18.01 Employees required to terminate their tour of duty away from their home terminal or headquarters point will be paid a meal allowance of \$30.00 per day for every twenty-four (24) hour period such employees are away from their home terminal or headquarters point unless meals are furnished by the Employer. At the expiry of twenty-four hours, an additional meal allowance of \$10 will be allowed for each additional 8 hours spent away from the home terminal or headquarters point. For each meal so furnished, an amount equal to \$10.00 shall be deducted from the \$30.00 per diem allowance above. The Employer will also arrange accommodation at its expense.

18.03 Employees required to use their own automobile by the Employer will be reimbursed at the rate of forty-one cents (\$0.41) per kilometre.

## **ARTICLE 19**

### **PAY DAY**

- 19.01 Employees shall be paid on a bi-weekly basis as per CN payroll dates.
- 19.02 When an employee is short paid more than a half a day's pay a special payment will be made to cover the shortage within one (1) working day of an employee's request for payment or as soon thereafter as possible.
- 19.03 Employees leaving the service of the Company will be furnished with a cheque covering all time due within seventy-two (72) hours or as soon thereafter as possible. The time specified shall be exclusive of Saturdays, Sundays and holidays.
- 19.04 All overtime earned shall be shown as a separate item on the pay cheques of employees.

Note: Notwithstanding the language of Article 19, the Company may, for operational efficiency, modify its pay procedures and adopt a bi-weekly payroll system other than the present bi-monthly arrangement. Should the Company wish to make such a change, it may do so, by providing the unions and the employees with no less than thirty calendar days' advance notice in writing. Nothing in this letter, nor in Article 19, is to be construed as limiting the Company's right to pay employees through direct deposit.

The Company and the Union also agree to meet within the first sixty days following ratification to convert the monthly rates into hourly rates. The agreed upon objective will be to address any affected articles of the collective agreement to ensure that the transition from monthly salary to an hourly rate of pay is cost and operationally neutral to the employees and to the Company.

## **ARTICLE 20**

### **MONTHLY / HOURLY SALARIES**

- 20.01 Salaries shall be in accordance with Article 25 Schedule "A". .

## **ARTICLE 21**

### **PRINTING OF AGREEMENT**

- 21.01 The Company undertakes the responsibility for the printing of the Collective Agreement as may be required from time to time and will absorb the cost of such printing as well as the cost of delivery of sufficient copies to the local chairperson. This will include the cost of printing updated pages.

## **ARTICLE 22**

### **NOTICE BOARDS**

22.01 Notice Boards will be provided for posting of notices by the Union.

## **ARTICLE 23**

### **INJURED ON DUTY**

23.01 Employees injured while at work will not be required to make accident reports before they are given medical attention, if required, but will make them as soon as practicable thereafter. Proper medical attention will be given at the earliest possible moment.

23.02 An employee prevented from completing a shift due to a bona fide injury sustained while on duty will be paid for that full shift at straight time rates of pay, unless the employee receives Workers' Compensation benefits for the day of the injury in which case the employee will be paid the difference between such compensation and payment for their full shift.

## **ARTICLE 24**

### **TERM OF AGREEMENT**

24.01 This Agreement shall be for a term of three (3) years commencing on July 23, 2013 and ending July 22, 2016 and shall be continued from year to year thereafter unless either party gives notice in writing to the other within one hundred and twenty (120) days prior to the expiry date hereof of that party's intention to terminate this Agreement or negotiate revisions hereto.

24.02 The provisions of 24.01 shall not preclude the parties to this agreement from making any changes to the agreement during the terms hereof that are mutually acceptable.

## **ARTICLE 25**

### **JOB CLASSIFICATIONS & SALARIES (ATTACHED AS SCHEDULE "A")**

25.01 All employees covered by this Agreement will be paid a salary in accordance with Article 25.02. Unless otherwise specified in the job description, salary levels, assume an average five (5) day, forty (40) hour work week, which shall, unless otherwise posted in an individual job bulletin, commence on Monday of each week. Employees who work more than said number of hours in each workweek may, at their discretion, either:

- (a) be provided "Comp" time (time off with pay) the equivalent of the actual hours they worked in excess of such standard hours, or,
- (b) be paid overtime at the rate of time and one-half for the equivalent of the actual hours they worked in excess of such standard hours.

## Comp Time – Transportation Employees

Transportation employees will be permitted to accumulate “comp” days up to the total of their normal work cycle. For example; an employee holding a yard assignment will be permitted to accumulate up to five (5) “comp” days. An employee working a four (4) day train service assignment will be permitted to accumulate up to four (4) “comp” days. The intention is to allow an employee, where circumstances permit, a Leave Absence equal to his normal work assignment.

The Union’s request to bank “comp” time for time worked on a General Holiday will be permitted on the basis the shift worked on the General Holiday will be paid at time and one half and the straight time (hours) which would have been paid for the General Holiday may be banked as “comp” time.

In conjunction with the above; the Company commits to respond to written requests for employee Leaves of Absence in writing within fourteen (14) days of receiving such request(s). The Company further commits that every effort will be made to accommodate requests for Leave.

25.02 Employees who absent themselves from their assignments for any reasons during any work week shall have their monthly salaries adjusted in the next practical pay period by the actual number of hours below the standard hours in any work week that they may be so absent.

25.03 Transportation department employees, as well as other positions which may so state in the bulletin, may not work five (5) continuous days during a work week. However, where possible and wherever the requirements of service permit, assignments shall in all departments be bulletined to work consecutive days, and to provide a minimum of two (2) consecutive rest days in a work week, with a presumption of Saturday and Sunday as preferred rest days if the requirements of service permit. However the parties recognize that:

1. Extra board Transportation Department employees who are also considered salaried employees will be required to remain on the extra board and available for service for a period of five (5) consecutive days worked and then allowed two (2) consecutive days of rest.

To ensure proper rest periods are maintained, discussions between the Union and the local management shall take place in an effort to establish schedules where alternate rest days may be implemented, on a mutually agreed to basis. The principle of having at least two consecutive rest days shall be retained.

2. Train and engine and service schedules may in many cases require positions in all crafts to be bulletined to work weekends with scheduled days off during the middle of the week.

Production work in some of the trades (for example, summertime track work, or, given projects in the car or locomotive shop areas), may require the establishment of a ten

(10) hour per day, four (4) day work week or some other work schedule, as developed through the consultative process.

- 25.04 Former employees of the ACR hired by the Employer shall be hired at the base rate of pay so long as they had previous seniority on the ACR in the classification in which the Employer has designated as a position with the predominant duties requiring the skills of the former ACR craft.

Employees will be placed at their proper salary by the Employer in accordance with their skills, their previous craft seniority on the ACR and the predominant duties of the new position, and, their knowledge and demonstrated performance. In placing the employees in the salary ranges, the Employer will consider the employee's experience, if any, on the Algoma Central Railway

25.05 **Shift Differentials**

Employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of fifty cents (50¢) per hour, and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of fifty-five cents (55¢) per hour.

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

**NOTE:** Applicable to regularly assigned positions in yard service

- 25.06 An hourly rate of pay for yard employees and assignments will be established on the basis of eight-hour shifts and a forty-hour work week. Overtime at time and one half will apply for hours in excess of eight in a work day, except in cases of a bulletined swing assignment working two shifts in a twenty-four hour period, or a spareboard employee reporting for duty at straight time rates under the terms and conditions governing spareboard employees.



**Salaries Schedule A  
Conductors**

**25.07 Salaries Schedule "A"**

Describes the salaries for classifications covered by this Agreement:

	Effective July 23, 2013 3%		Effective July 23, 2014 3%		Effective July 23, 2015 3%	
	Entry	Base	Entry	Base	Entry	Base
Conductor A						
10-12 Hours Assignments-Monthly	\$5,027	\$7,225	\$5,224	\$7,441	\$5,381	\$7,665
Conductor B						
8 hour Assignments – hourly rate	\$25.47	\$35.38	\$26.23	\$36.44	\$27.02	\$37.53
Conductor B Remote						
8 hour Assignments – hourly rate	\$26.63	\$37.35	\$27.43	\$38.47	\$28.25	\$39.62
Baggage Handler						
8-10 hour assignments –Monthly	N/A	\$5,147	N/A	\$5,302	N/A	\$5,461

	Effective July 23, 2013 3%		Effective July 23, 2014 3%		Effective July 23, 2015 3%	
	Entry	Base	Entry	Base	Entry	Base
Hearst Train (#1-#2)						
Conductor A						
Summer Rates Monthly	N/A	\$7,515	N/A	\$7,740	N/A	\$7,972
Winter Rates Monthly	N/A	\$5,909	N/A	\$6,086	N/A	\$6,263

**ARTICLE 26**

**MATERIAL CHANGE**

26.01 Prior to implementing any technological, operational or organizational change of a permanent nature having adverse effects on employees holding permanent assignments, the Company will provide the Union with no less than thirty (30) calendar days' advance notice in writing. The notice should include details of the change and the expected number of employees who could be affected. The expiration of a temporary vacancy or a temporary assignment does not constitute a change under this article. The terms "operational" or "organizational change" do not include normal reassignment of duties arising out of the nature of the work, nor to changes brought about by fluctuations of traffic or changes brought about by general economic conditions. The permanent

reduction or elimination of excess plant capacity shall also be considered as technological, operational or organization changes under this clause. Should the Company relocate the home location of a permanent assignment, and the employee holding such assignment would be required to travel an additional 40 miles from their permanent place of residence to that new work location, that will be considered as an operational or organizational change under this provision.

26.02 Upon request, the parties may negotiate on items other than those provided by the collective agreement with a view to minimizing the adverse effects on the employees. If such negotiations do not result in mutual agreement within fifteen calendar days, the matters in dispute may be referred for mediation to a Board of Review composed of an equal number of senior officers of the union and the company. The matters to be reviewed shall not include any question as to the right of the Company to make the change.

26.03 Should a technological, operational or organizational change result in the permanent layoff of a regularly assigned employee hired by the Company (or its predecessors) before January 1, 1993 and who maintained a continuous employment relationship, the Employer shall canvass the other active employees holding permanent regular assignments within the bargaining unit for an employee whose voluntary departure would result in a vacant permanent assignment being made available to avoid the involuntary layoff. Should there be no volunteer, a severance will be offered to the adversely affected employee if eligible, who may elect layoff, or resign and take a severance payment in accordance with the following calculation. The volunteering employee would be given a severance payment equal to two weeks' base wages of the last permanent position held, for each year of cumulative compensated service, up to a maximum severance of one years' base wages or \$65,000, which ever is lesser. (Weekly base rate is calculated by multiplying the monthly base rate by 12 and then dividing by 52.1829.)

Note: Cumulative Compensated Service (CCS) means: one month of compensated service for work performed, which will consist of 21 days or major portion thereof, twelve months of CCS shall constitute one year of CCS, calculated from the last date of entry into the Company's service as a new or rehired employee. For partial year credit, six or more months of CCS shall be considered as a year of credit towards computation of severance or layoff benefits. Service of less than six months of CCS shall not be included in the computation.

## **ARTICLE 27**

### **LAY OFF**

27.01 For each year of cumulative compensated service, a permanent employee who is involuntarily laid off, following the signing of this Memorandum of Agreement, will be allowed a gross layoff benefit credit of five weeks for each such year or major portion thereof, up to a maximum of fifty-two weeks.

27.02 The laid off employee, if otherwise eligible for E.I. benefits, would be entitled to a supplemental unemployment benefit which would top up his weekly E.I. benefit to 75% of the weekly base rate of the last permanent regularly assigned position held

immediately prior to layoff. Should the employee be ineligible for E.I. benefits due to having exhausted his E.I. benefit entitlement, he shall receive an amount equal to the weekly E.I. maximum. Note for the purposes of this article designated seasonal positions will be considered as permanent positions. There will be a two-week waiting period, immediately following layoff without any benefits as per E.I. regulations. After exhausting benefit, the employee would remain eligible for recall as per Article 7. Outside earnings equal to less than 25% of the E.I. benefit will not be deducted from the top-up; if the outside earnings are more than 25% of the E.I. benefit, they shall be deducted from these benefits, as per E.I. regulations. An employee recalled to ACR and who works less than five days, shall have his earnings and E.I. topped up to the 75% level, if the earnings are less than said 75%. An employee in receipt of these benefits must accept recall to any vacancy, permanent, temporary or seasonal in his own bargaining unit, or for any work on the ACR for which he is qualified or is qualifiable, that remains unfilled after having been bulletined and for which no employees in the bargaining unit in question are available for recall. An employee after having depleted his credit bank may re-establish entitlement on the basis of five weeks of credit for each year of additional compensated service.

27.03 Notwithstanding any of the above, employees will not be considered laid off for benefit entitlement under the application of Articles 26 or 27:

- a) When their employment is interrupted by leave of absence, sickness or injury, disciplinary action or being held out of service pending investigation and subsequent decision, failure to exercise seniority, retirement, act of God or force majeure, or cessation of work due to strikes (legal or illegal) or lockouts.
- b) During the interval following recall until they actually return to work, or if they decline for any reason recall to any work on the ACR in their own bargaining unit, if they decline to accept any other work on the ACR for which they are qualified or for which they could become qualified in a reasonable period of time.

Note: Although the lay-off benefit ceases, employees' rights and obligations under Article 7.11 remain unchanged.

- c) When they are in receipt of any other payments of any kind or nature directly from the Company.
- d) After they are discharged, dismissed, or terminated for any reason, or after they resign.

27.04 Employees who satisfy the eligibility requirements above, will be eligible for a benefit payment in respect of each full week of seven consecutive calendar days of layoff provided they meet the following requirements:

- a) They have five or more years of continuous employment relationship at the beginning of the calendar year in which the period of continuous layoff in which the claim week occurs.
- b) For weekly layoff benefits, a continuous waiting period of fourteen (14) calendar days in the period of layoff has expired.

- c) Each period of layoff will require an additional fourteen (14) day waiting period, unless they are recalled and then subsequently laid off again within a period of ninety calendar days.
- d) They have applied for benefits in the manner and form prescribed by the Company.
- e) They have fully exhausted seniority rights on the ACR.
- f) Employees who elect layoff benefits will forfeit all rights to a voluntary separation payment.
- g) They have not applied for a voluntary severance payment within the fourteen days immediately following layoff.
- h) The aforementioned clauses take precedence over any other clauses in the collective agreement.

Note: The benefit entitlement period (maximum of 52 weeks) commences immediately following layoff, and is not extended if the employee delays applying for layoff benefits.

This SUB plan requires the approval of HRDC and will be null and void should said approval not be granted. If the program is not approved, the parties agree to meet within 30 days of receipt of notice from HRDC to attempt to modify these provisions to assure compliance with HRDC regulations.

## **PARTICIPATORY PROCESS**

### **IMPLEMENTATION OF PARTICIPATORY PROCESS**

During these negotiations the Unions expressed concerns with the ability to resolve issues at a local level. They were also concerned with the ineffectiveness of the existing consultative process.

The parties agreed that many of the problems and frustrations could be resolved if there was a genuine commitment from both parties to openly and frankly discuss them in cooperative and participatory fashion.

It was recognized that we have many issues in common that were suitable for the participatory process. They were for example:

safety and health of employees

- self directed teamwork
- work method improvement
- promotion of inter function understanding
- involving the right people in decision making
- focusing on customer requirements
- the quality of tools and equipment
- open door policy

improving employment opportunities  
enhancing skills  
quality of life issues  
recognition systems

This list is not exhaustive and can be added to or subtracted from at any time. We recognize that there are issues that are not suitable for this process or may be the legislated or accepted responsibilities of individual parties such as investigation procedures, dues paying, staffing levels or disciplinary decisions.

By dealing with these types of issues in a cooperative and consultative manner it is recognized that there would be improved morale and productivity, which would in turn enhance the desired objective of job security and company viability.

### **CONTINUATION OF PROCESS**

An objective, some guiding principles and assurances are outlined on the following page which will provide the foundation for implementation of the process.

We also recognize that there is a need to ensure that the success of this process requires a strong commitment and we will empower a small task force comprising equal union and management representatives to appoint trainers and leaders to make sure our objective is achieved.

### **PARTICIPATORY PROCESS**

All parties recognize the benefit of the involvement of all employees in improving the workplace, its conditions, the quality of life of employees and the service to our customers. In doing so, we have decided to engage in a participatory process by which employees can be actively involved with issues that they deem important.

### **OBJECTIVE**

Our objective is to develop a safe, self-directed environment designed to improve customer and employee satisfaction through the cooperative efforts of all.

### **GUIDING PRINCIPLES**

All parties are committed to fostering a participatory process designed to reach our objective.

All parties are committed to the principles of mutual respect and equality of contribution in this process.

All parties recognize their responsibility to support and follow up on the commitments made in the process.

## **ASSURANCES**

The guiding principles for the participation of employees will:

- assure the maintenance of company and union values and structure
- not negatively impact job security
- recognize freedom of speech without fear of retaliation
- assure consistent rules for all participants
- respect the collective agreement and company policies
- provide for consensus decision making
- ensure that all ideas submitted are seriously considered and employees whose ideas are not implemented are told why

The company commits to provide education and training for its people to ensure the support and successful implementation of the participatory process.

## **SIGNATORY PAGE**

Memorandum of Agreement pursuant to Arbitrator Award June 19, 2014

**(Sgd) Roland Hackl**

General Chairman  
Teamsters Canada Rail Conference  
CTY Western Region

**(Sgd) Joe Torchia**

Director, Labour Relations

**Letter #1**

**LETTER OF UNDERSTANDING**

The Employer recognizes the value of the following plans and programs and agrees to provide each to employees covered by this Agreement in accordance with its usual practice:

- (a) Employee Assistance Program
- (b) Profit Based Income Plan
- (c) Stock Purchase Plan
- (d) Scholarship Program
- (e) Educational Reimbursement Program

**Letter #2**

**LETTER OF AGREEMENT**

**BETWEEN:**

**ALGOMA CENTRAL RAILWAY INC.**

**-and-**

**U.T.U.**

**Note: This Letter was amended to reflect terms contained in the negotiated Memorandum of Settlement dated November 16, 2005.**

The Company agrees that if there is no work assignment in sight after eleven (11) hours tied up away from home the conductor will be deadheaded or worked home.

If conductors are to be used on detouring trains on ACR lines, ACR conductors will be used.

If conductors are to be used on work or wreck trains where the work is expected to exceed sixteen (16) hours, ACR conductors will be used.

A minimum of two (2) hours notice will be given to crews to report for work unless agreed otherwise, and except in case of emergency.

The existing accommodations will be continued at Hawk Junction.

If a crew is tied up away from home at Hearst they will stay at a hotel.

The Company will establish a conductor-training program, the details of which will be developed through the consultative process.

Conductors who are not working a regular assignment or a regular scheduled train and who have been away from home for forty-eight (48) hours or more, will be provided with a minimum of twenty-four (24) hours rest after return to their home terminal.

**Note:** An employee invoking this twenty-four hour rest clause will not be entitled to the two consecutive days of rest provided under Article 25.03 Clause 1).

Except when caused by delay which is unforeseen at the time of call, Conductors may, at their option, book eight (8) hours rest, after eleven (11) hours on duty.

Under circumstances when a train crew determines that the work assigned en route, will result in probable failure to reach the destination terminal, the Conductor will communicate with the Rail Traffic Controller in sufficient time to react. Such notification shall take place no later than three (3) hours prior to the expiration of the time on duty. The Rail Traffic Controller will adjust the work en route or make alternative crewing arrangements, to make every reasonable effort to ensure that the crew reaches the destination terminal and be off duty within twelve (12) hours.

The Company will provide uniforms to trainmen assigned to passenger service.



The Company will provide a 30-minute lunch period at a convenient time for trainmen assigned predominantly to switching service at yards.

Conductors selected to instruct Conductor Trainees in on-the-job operations shall receive one day's pay or compensatory day for each 10 starts on which a Conductor Trainee is assigned. This training rate is not applicable to remote control. The training rate will be pro-rated in the event that it is unlikely that a Conductor will complete 10 starts as a Trainer.

This agreement made and entered into the 21<sup>st</sup> day of February 2002.

**(Sgd) G. Scarrow**  
UTU

**(Sgd) D.S. Fisher**  
for: Algoma Central Railway Inc.

Letter #3

**LETTER OF UNDERSTANDING**

**BETWEEN:**

**THE ALGOMA CENTRAL RAILWAY INC.  
AND  
THE TCRC - LOCOMOTIVE ENGINEERS  
AND  
THE UNITED TRANSPORTATION UNION**

**Note: This Letter was amended to reflect terms contained in the negotiated Memorandum of Settlement dated November 16, 2005.**

**ESTABLISHMENT OF A RELIEF BOARD**

Effective with the May 1998 Change of Timetable the company shall establish a relief list to be used for the fair and orderly distribution of work when the extra board is exhausted. Such list shall initially be comprised of employees, in seniority order, who desire to be called for extra work. All subsequent employees added to the board will be placed at the bottom of the list.

The relief list shall thereafter operate on a rotational first-in first-out basis. It is understood that employees shall not be called to work if it will interfere with their regular assignment and shall hold their turn on the rotation list.

Employees called for extra work shall be compensated at a rate of one and one-half times the applicable daily rate, except in instances when an employee has a deficit in the current pay period obligation.

**JOB BULLETIN**

The Company shall bulletin jobs for bidding in the spring and fall to coincide with the introduction and termination of seasonal changes to the passenger service. The bulletin will be issued at least fourteen days prior to the effective date of the change.

It has been agreed that the representatives of the UTU and the TCRC Engineers with the Company will work out a plan to reduce the time for posting temporary vacancies as outlined in Article 8 by utilizing a computerized blanket bid process. The target is to be able to allow the filling of vacancies in less than two (2) days.

**DEADHEAD  
BETWEEN HAWK JUNCTION AND SAULT STE. MARIE OR HAWK JUNCTION AND  
HEARST**

An employee who is required to deadhead between Hawk Junction and Sault Ste. Marie, or Hawk Junction and Hearst, will be compensated an amount equal to six (6) hours.

In instances when an employee completes a tour of duty and is subsequently deadheaded to the home terminal, he shall be compensated as in continuous service provided that such

employee can reach the destination within the twelve (12) hour day. When it is determined that the combined service cannot be completed within twelve (12) hours, the employee shall be paid six (6) hours for the deadhead.

Deadheading between Sault Ste. Marie and Hearst shall be compensated for in an amount equal to twelve (12) hours for such service.

### **HELD AWAY TERMINAL**

When Transportation employees are held at away from home terminal for sixteen (16) hours, they will be paid a comp day (12 hours) at straight time plus paid an extra per diem (as per contract). Comp time can be banked at employee's option.

### **STARTING TIMES AND HOURS OF SERVICE**

In order to enhance the safe operation of trains, the company shall establish and designate an on-duty time for trains, with the proviso that if the train is ready earlier, the crew may be required to report for work up to two (2) hours ahead of the scheduled time.

In instances where a train was extensively delayed, the crew would be considered as being on duty at the fifth hour after the scheduled departure time. All such time would be calculated in the twelve (12) hour work requirement.

If it is determined that the crew could not reach the objective terminal within the twelve (12) hour period, the crew shall be relieved from duty prior to the twelfth hour. Alternatively, the crew may be relieved from its assignment and allotted another assignment that fits within its time slot.

This agreement is made and entered into at Sault Ste. Marie, Ontario this 22nd day of February 2002.

Algoma Central Railway Inc.

**(Sgd) G. Wolnairski**  
for Senior Vice President Eastern Division

**(Sgd) D. Jackson**  
General Chairman  
Brotherhood of Locomotive Engineers

**(Sgd) G. Witty**  
General Chairman  
United Transportation Union

I Concur,

I Concur,

**(Sgd) D.S. Fisher**

**(Sgd) T.G. Hucker**  
Vice-President and  
National Legislative Representative  
Brotherhood of Locomotive Engineers

**(Sgd) G. Scarrow**  
Vice President United Transportation Union

**Letter #4**

**LETTER OF AGREEMENT  
BETWEEN  
THE ALGOMA CENTRAL RAILWAY INC.  
AND  
THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS  
AND  
THE UNITED TRANSPORTATION UNION**

Concern was expressed by both the UTU and BLE that if future reductions in the separate crafts were not proportionate to the present established lists, there could be an imbalance, or adverse affect to either one of the bargaining units.

It was agreed that, in any one calendar week (Monday to Sunday) the Company will not exceed three (3) instances, of employee(s) from one craft (bargaining unit) being used to perform duties in the other craft (bargaining unit), without an employee from the appropriate laid off list being recalled to the active working list.

This agreement is made and entered into at Sault Ste. Marie, Ontario this 19th day of July 2001.

Algoma Central Railway Inc.

**(Sgd) G. Wolnairski**  
for Senior Vice President Eastern Division

**(Sgd) D. Jackson**  
General Chairman  
Brotherhood of Locomotive Engineers

**(Sgd) G. Witty**  
General Chairman  
United Transportation Union

I Concur,

**(Sgd) D.S. Fisher**  
for Vice President Labour Relations

I Concur,

**(Sgd) T.G. Hucker**  
Vice-President and National Legislative  
Representative Brotherhood of Locomotive  
Engineers

**(Sgd) G. Scarrow**  
Vice President United Transportation Union

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LETTER OF AGREEMENT

BETWEEN

WISCONSIN CENTRAL RAILWAY  
(Algoma Central Railway Inc.)

AND

UNITED TRANSPORTATION UNION

AND

THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS  
CONCERNING THE OPERATION OF  
REMOTE CONTROL LOCOMOTIVE SYSTEMS  
AND BELTPACK TECHNOLOGY

---

This agreement is made between the Wisconsin Central Railway (Algoma Central Railway Inc.) The United Transportation Union (UTU) and the Brotherhood of Locomotive Engineers (BLE) and provides the terms and conditions for the implementation and continuing operation of the Remote Control Locomotive Systems (RCLS) and Belt Pack Technology (BPT) in yard service and the applicable rate of pay.

The agreement is made in recognition of and as a result of the terms and conditions of the collective agreements between the parties. This agreement and any provisions contained herein are binding on the parties and is made without precedent or prejudice to either party and will not be used by either party in any other forum, tribunal, court or jurisdictional boundary.

The fundamental spirit and intent of this agreement is to set out the terms and conditions for the operation of RCLS and BLT technology and to provide for an equal sharing of work between the members of the BLE and UTU bargaining units governed by this memorandum.

**1.0 Operations**

- (a) Effective first of the month following the month of ratification, the company may operate remotely controlled locomotives in yard service.
- (b) Assignments will be operated in accordance with this agreement. It is understood in the application of this agreement the primary duties of RCLS/BPT equipped crews are those traditionally associated with their assignments.

**2.0 Rates of Pay**

- (a) A Locomotive Engineer and Conductor on an RCLS/ BPT assignment will be paid as below:
  - Engineer B      \$4950 monthly Canadian (2002 Rates)
  - Conductor B    \$4400 monthly Canadian (2002 Rates)

**3.0 Training**

- (a) The duration and content of the training course is to be determined by the company with input from the UTU and BLE.
- (b) Training to become qualified to operate the RCLS/BPT equipment will be bulletined and awarded in accordance with the respective terms of the BLE and UTU agreements and as agreed locally between the company and the two general chairmen by this memorandum.

- (c) Upon completion of training, employees will have the designation qualified for RCLS/BPT shown with their name on their respective seniority lists. The RCLS/BPT qualification shall not confer any advantage in respect to qualification or lack of qualifications.
- (d) Employees who hire on subsequent to the date of signing of this agreement must become qualified for the RCLS/BPT operations.

This agreement is signed at Sault Ste. Marie, Ontario, this 22nd day of February 2002.

Algoma Central Railway Inc.

**(Sgd) G. Wolnairski**  
for Senior Vice President Eastern Division

**(Sgd) D. Jackson**  
General Chairman  
Brotherhood of Locomotive Engineers

**(Sgd) G. Witty**  
General Chairman  
United Transportation Union

I Concur,

**(Sgd) D.S. Fisher**  
for Vice President Labour Relations

I Concur,

**(Sgd) T.G. Hucker**  
Vice-President and National Legislative  
Representative Brotherhood of Locomotive Engineers

**(Sgd) G. Scarrow**  
Vice President United Transportation Union

**LETTER #6**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE ALGOMA CENTRAL RAILWAY INC.  
AND  
THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS  
AND  
THE UNITED TRANSPORTATION UNION  
CONCERNING THE SELECTION AND TRAINING  
OF NEW LOCOMOTIVE ENGINEERS**

---

It is agreed that effective 1 July 1998 the following will apply with respect to the training and qualification of Conductors in the training to be a Locomotive Engineer.

**Note: This Letter was amended to reflect terms contained in the negotiated Memorandum of Settlement dated November 16, 2005.**

**Note:** For the purpose of this Memorandum of Understanding, the term "Company" refers to the Algoma Central Railway Inc.

**Selection of Locomotive Engineer Trainees**

- 1.01 It is agreed that senior qualified Conductors will have preferred consideration for Locomotive Engineer promotion.
- 1.02 Conductors hired after October 1, 1997 must accept Engineer promotion when made available to them. Failure of the Engineer promotion program for these employees may result in disqualification in all T & E service.
- 1.03 A Locomotive Engineer qualified under this Agreement may revert to a Conductor position only where they are able to show just cause with exceptional circumstances. Those Conductors will lose Engineer seniority. Management will consult with the General Chairman of the UTU and BLE.
- 1.04 When making the selection of existing Conductors for Engineer promotion the Manger will consult with the General Chairman of the BLE and UTU.

**Establishing of Seniority**

- 2.01 The Locomotive Engineer Trainee will establish seniority as an Engineer on the date the bulletin closes. Management will make a good faith effort to provide a ten day notice prior to class commencement. Conductors will be given preference over other crafts in determining seniority.
- 2.02 Locomotive Engineer Trainee will be represented by the BLE throughout the promotion process until fully qualified.
- 2.03 Conductors who qualify as Engineers will continue to accumulate seniority as a Conductor.

## **Locomotive Engineer Not Assigned to the Locomotive Engineers' Working List**

- 3.01 All Locomotive Engineer Trainees having successfully completed the Locomotive Engineers' Training Program will be required to work Locomotive Engineer vacancies in seniority order.
- 3.02 After being qualified to work as Locomotive Engineer, the employee will be required to work as a Locomotive Engineer when required for both regular assignments and for single trips, if necessary.
- 3.03 When there are temporary vacancies of less than 45 days, the senior qualified Locomotive Engineer working as a Conductor may, if they so desire, fill these temporary vacancies. If the senior qualified Locomotive Engineer working as a Conductor does not elect to fill the vacancy, a junior qualified Locomotive Engineer working as a Conductor will be required to fill the temporary vacancy.
- 3.04 For regular vacancies, the senior qualified Locomotive Engineer working as a Conductor will be required to work as a Locomotive Engineer.
- 3.05 Where it is necessary to furlough Locomotive Engineers, recall and calling for ad hoc or single trip basis for Locomotive Engineer positions shall be by the employee's Locomotive Engineer Seniority standing. Where such employee is by-passed, they shall be made whole.
- 3.06 Except in the case of emergency or where the auxiliary or wreck equipment is ordered, regularly assigned Conductors and Locomotive Engineers will not be required to accept on a single trip or ad hoc trip call where the Conductor or Locomotive Engineer would not be normally called and therefore not properly rested to safely perform his or her duties. The employee would be the judge of their own fitness due to rest and may request additional rest as they deem necessary.

## **Vacation Scheduling**

- 4.01 Employees who perform service during the previous calendar year, part as a Locomotive Engineer and part as a Conductor, will schedule vacation from the classification roster (Conductor or Locomotive Engineer) based on the preponderance of service worked in the previous year. (Preponderance = six months plus one day)

That is, if the preponderance of work in the previous six months was performed as a Conductor, the employee will be granted vacation on the appropriate Conductor vacation list. If the preponderance of work in the previous six months was performed as a Locomotive Engineer, the employee will be granted vacation date(s) on the Locomotive Engineer vacation list. Employees in other crafts who are required to work as a Locomotive Engineer will be treated similarly.

## **Exceptions:**

The introduction of the Tour train service each year causes changes to the staffing of operating employees through the creation of additional Engineer assignments. Employee(s) who would normally make their vacation selection(s) as a Conductor on the basis of the terms described above, but are anticipated to be working as an Engineer during the Tour Train operating period will not be permitted to select vacation during the Tour Train operating period.



Such employee(s) will be eligible to select open vacation periods available to the Engineer roster during the Tour Train operating period.

- 4.02 Disputes from individual Conductors arising from this arrangement are to be settled by discussions between the proper Manager and the General Chairman.

**Training Program**

5.01 The Company's training program will include classroom and simulation work; initial observation and demonstration trips to gain experience in train handling; subsequent trips for new route familiarization and; final qualification trip under the observation of a qualified Transportation Manager.

5.02 Locomotive Engineers who have observed the Trainee during the qualification periods will be asked for their input on the Trainee's readiness for final qualification. The on-the-job training should be interrupted as little as possible. The Trainee may be required to work as a Conductor in "emergency" operational situations.

**Rate of Pay - Locomotive Engineer Trainee**

6.01 Trainee in the program will not be paid less than the Conductor "A" rate of pay while actively training.

Trainees called as Locomotive Engineers in yard service shall be compensated at the rate of pay for the assignment the Trainee has been called to fill.

This Memorandum is signed at Sault Ste. Marie, Ontario this 17<sup>th</sup> day of September 1998.

Algoma Central Railway Inc.

**(Sgd) J.E. Trebell**  
Vice President Transportation

**(Sgd) R. Ray**  
General Chairman  
Brotherhood of Locomotive Engineers

**(Sgd) J. Rogers**  
Division Manager

**(Sgd) G. Witty**  
General Chairman  
United Transportation Union

**(Sgd) N. Marcum**  
Operations Manager

I Concur:

I Concur:

**(Sgd) T.G. Hucker**  
Vice President and National Legislative  
Representative  
Brotherhood of Locomotive Engineers

**(Sgd) R.P.White**  
Vice President Human Resources

**(Sgd) G. Scarrow**  
Vice President United Transportation Union

**LETTER #7**

**LETTER OF AGREEMENT**  
**BETWEEN**  
**THE ALGOMA CENTRAL RAILWAY INC.**  
**– and –**  
**UNITED TRANSPORTATION UNION**

This letter records an agreement made between the United Transportation Union and Algoma Central Railway Inc. regarding the filling of Conductor vacancies.

Whenever a Conductor vacancy exists, employees will be called to fill the vacancy in the following order:

1. First up available Spare Board Conductors.
2. Available Conductors on rest days, in seniority order, provided it does not interfere with that Conductor's regular assignment.
3. Conductors not working, in seniority order, provided it does not interfere with Conductor's regular assignment.
4. If there is a need to call a conductor to perform Locomotive Engineers work, the senior qualified conductor, who has indicated a desire to work as a Locomotive Engineer will be called in provided it does not interfere with conductors regular assignment.

Employees called for extra work shall be compensated at a rate of one and half times the applicable rate, except in instances when an employee has a deficit in the current pay period obligations.

This agreement made and entered into the 21<sup>st</sup> day of February 2002.

**(Sgd) Glen Witty**  
General Chairman  
UTU

**(Sgd) D.S. Fisher**  
for Algoma Central Railway Inc.

**LETTER #8**

Mr. G. Scarrow,  
Chairman ARU

Dear Mr. Scarrow,

Article 7

This is with reference to the Union's demands regarding severance, as was agreed, Article 7.13 will be added as follows

"An employee who has been advised in writing by the Company that his return to work is unlikely, may elect to receive severance pay as outlined in the Canada Labour Code, provided he abandons his recall rights under the collective agreement, and terminates his employment with the Company."

It is understood that an employee who has drawn lay-off benefits under the proposed SUB top up plan, will not be eligible for any such severance payments, until the Union(s) produce a clear interpretation from HRDC that such "after the fact" severance payments are permissible without jeopardizing the approval of the SUB plan. In that event any money paid out as SUB will be deducted from the severance payment.

The employee assumes all responsibility for any provincial or federal withholdings, and it is agreed that the Company may be required by law or regulation to withhold from said severance payment.

Furthermore, it was agreed that Article 7.11 will be amended by adding the following:

"Employees who are employed by another employer at the time of recall, will be allowed 14 calendar days from the date he receives this notification of recall by ACR, to present himself, only if required to give formal notice to the current employer."

Yours truly,

**(Sgd) D.S. Fisher**  
for Algoma Central Railway Inc.

I agree,

**(Sgd) G. Scarrow**  
for ARU

**LETTER #9**

Mr. Guy Scarrow  
Chairman ARU

Dear Mr. Scarrow,

This is with regards to your questions about retiring and or laid off employees being permitted to pay for the continuation of extended health care and other benefits.

In order to address your concerns the matter will be referred to closed period discussions, where the Company will pursue the matter with the insurance carrier to determine the feasibility of the question under the terms of the existing benefits contracts. After such a fact finding the parties will meet to discuss the possible implementation of a benefits continuation arrangement as long as such an arrangement is permissible under the terms of the contract and as long as it remains cost neutral to the Company.

It is understood that the Company's practice regarding benefits maintenance after layoff will continue regardless of the outcome of this closed period commitment.

Yours truly,

**(Sgd) D.S. Fisher**  
for Algoma Central Railway Inc.

**LETTER #10**

Mr. G. Scarrow,  
Chairman ARU

Dear Mr. Scarrow

This is with reference to the concerns of the ARU, regarding opportunities for employment for employees laid off at the ACR, elsewhere on the CN system.

The Company agrees that mutual benefits would flow from assisting employees to find work within the greater CN system.

Therefore, employees laid-off from the ACR will be given preferred consideration for vacancies that may arise elsewhere on the CN system. Should the individual satisfy the qualification requirements for the CN vacancy, they shall be released temporarily from ACR. Seniority provisions and protection on the ACR list will be as per the ACR collective agreement or as agreed with the respective bargaining agent. Seniority on the CN will be in accordance with the CN collective agreements unless otherwise mutually agreed. Cumulative compensated service with the ACR will be recognized by CN for the purposes of vacation entitlement, and extended health and dental coverage only. Once an employee commences work on CN, any benefits being provided by ACR will cease (i.e. lay off benefits, extended health and dental benefits under the ACR plans, etc.)

Yours truly,

**(Sgd) D. S. Fisher**  
for Algoma Central Railway Inc.

**LETTER #11**

Mr. G. Scarrow,  
Chairman ARU

Dear Mr. Scarrow,

**Gainsharing**

With reference to Letter of Understanding #1, the Profit Based Income Plan will continue as per the statement of CN President P. Tellier for calendar year 2002, thereafter gainsharing, bonus, or incentive programs, may be implemented by the ACR at its discretion. However, such gainsharing programs will be discussed with the Unions in advance of being implemented.

The gainsharing or similar programs will be based on measurable goals, communicated in advance to the unions and employees. The lump sum payments will not be subject to the retirement savings plan.

The references to Employee Assistance Program, Stock Purchase Plan, Educational Reimbursement Program, and Scholarship Program will effective with the renewed collective agreement be provided in accordance with the CN policies.

Yours truly,

**(Sgd) D.S. Fisher**  
for Algoma Central Railway Inc.

I agree,

**(Sgd) G. Scarrow**  
for ARU

**LETTER #12**

Mr. G. Scarrow,  
Chairman ARU

Dear Mr. Scarrow,

**POSTING, Article 8**

The demand of the ARU related to posting is resolved on the basis of the following:

a) Article 8.01 last sentence modified to read:

However, a temporary vacancy of less than thirty (30) work days or less shall be filled by the employer in consultation with the union.

b) Although this was a common demand, the different types of work peculiar to each bargaining unit make a common solution impractical. Therefore, the parties agree to refer this matter to the closed period for continued discussions between each bargaining agent and the employer, to craft mutually acceptable solutions regarding job posting procedures and/or durations.

Yours truly,

**(Sgd) D.S. Fisher**  
for Algoma Central Railway Inc.

I agree,

**(Sgd) G. Scarrow**  
for ARU

## LETTER #13

### CANADIAN RAILWAY OFFICE OF ARBITRATION

MEMORANDUM OF AGREEMENT made this 1st day of September 1971 to amend and renew the founding Agreement establishing the Canadian Railway Office of Arbitration dated the 7th day of January 1965 (as amended and renewed since that date).

IT IS AGREED by and between the signatories as follows:

1. There shall be established in Montreal, Canada, the Canadian Railway Office of Arbitration, hereinafter called the "Office of Arbitration".
2. There shall be a single Arbitrator hereinafter called the "Arbitrator" to be appointed by the signatories hereto who shall have the duties and functions set out herein. The administrative responsibilities of providing and administering necessary clerical staff, premises, facilities and other arrangements necessary to enable the Arbitrator to exercise his function shall be discharged by an Administrative Committee responsible to the signatories hereto and composed of one representative appointed by the signatories whose names appear in Appendix "B" hereof.
3. The arbitrator shall be appointed for a term of one year and may be re-appointed for an additional term or terms of one year as the signatories hereto may decide.

The arbitrator may be replaced at any time by mutual agreement of the signatories, temporarily or permanently in the event of his inability, refusal or failure to exercise his functions.

4. The jurisdiction of the Arbitrator shall extend and be limited to the arbitration, at the instance in each case of a railway, being a signatory hereto, or of one or more of its employees represented by a bargaining agent, being a signatory hereto, of:
  - (A) disputes respecting the meaning or alleged violation of any one or more of the provisions of a valid and subsisting collective agreement between such railway and bargaining agent, including any claims, related to such provisions, that an employee has been unjustly disciplined or discharged; and
  - (B) other disputes that, under a provision of a valid and subsisting collective agreement between such railway and bargaining agent, are required to be referred to the Canadian Railway Office of Arbitration for final and binding Settlement by arbitration,

but such jurisdiction shall be conditioned always upon the submission of the dispute to the Office of Arbitration in strict accordance with the terms of this Agreement.

5. A request for arbitration of a dispute shall be made by filling notice thereof with the Office of Arbitration not later than the eighth day of the month preceding that in which the hearing is to take place and on the same date a copy of such filed notice shall be transmitted to the other party to the grievance. A request for arbitration respecting a dispute of the nature set forth in Section (A) of Clause 4 shall contain or shall be accompanied by a Joint Statement of Issue. A request for arbitration of a dispute of the nature referred to in Section (B) of Clause 4 shall be accompanied by such documents as are specifically required to be submitted by the terms of the collective agreement which governs the respective dispute. On the second Tuesday in each month, the Arbitrator shall hear such disputes as have been filed in his office, in accordance with the



procedure set forth in this Clause 5. No hearing shall be held in the month from time to time appointed for the purposes of vacation for the Arbitrator, nor shall a hearing be held in any other month unless there are awaiting such hearing at least two requests for arbitration that were filed by the eighth day of the preceding month, except that the hearing of a dispute shall not be delayed for the latter reason only for more than one month.

**6.** Subject always to the provisions of this Agreement the Arbitrator shall make all regulations necessary for the hearing of disputes by the Arbitrator which are consistent with the terms of this Agreement and such regulations may be amended by the Arbitrator from time to time as necessary.

**7.** No dispute of the nature set forth in Section (A) of Clause 4 may be referred to the Arbitrator until it has first been processed through the last step of the Grievance Procedure provided for in the applicable collective agreement. Failing final disposition under the said procedure a request for arbitration may be made but only in the manner and within the period provided for that purpose in the applicable collective agreement in effect from time to time or, if no such period is fixed in the applicable collective agreement in respect to disputes of the nature set forth in Section (A) of Clause 4, within the period of 60 days from the date decision was rendered in the last step of the Grievance Procedure.

No dispute of the nature set forth in Section (B) of Clause 4 may be referred to the Arbitrator until it has first been processed through such prior steps as are specified in the applicable collective agreement.

**8.** The Joint Statement of Issue referred to in Clause 5 hereof shall contain the facts of the dispute and reference to the specific provision or provisions of the collective agreement where it is alleged that the collective agreement has been misinterpreted or violated. In the event that the parties cannot agree upon such joint statement either or each upon forty-eight (48) hours' notice in writing to the other may apply to the Arbitrator for permission to submit a separate statement and proceed to a hearing. The Arbitrator shall have the sole authority to grant or refuse such application.

**9.** The Arbitrator shall not decide a dispute without a hearing. At the hearing each party shall submit to the Arbitrator a written statement of its position together with the evidence and argument in support thereof.

**10.** The parties to a dispute submitted to the Arbitrator may at any hearing be represented by Counsel or otherwise as they may respectively elect.

**11.** The Arbitrator may make such investigation as he deems proper and may require that the examination of witnesses be under oath or affirmation. Each party to a dispute shall have the right to examine all witnesses called to give evidence at the hearing. The Arbitrator shall not be bound by the rules of evidence and practice applicable to proceedings before courts of record but may receive, hear, request and consider any evidence which he may consider relevant.

**12.** The decision of the Arbitrator shall be limited to the disputes or questions contained in the joint statement submitted to him by the parties or in the separate statement or statements as the case may be, or, where the applicable collective agreement itself defines and restricts the issues, conditions or questions which may be arbitrated, to such issues, conditions or questions.

His decision shall be rendered, in writing together with his written reasons therefor, to the parties concerned within 30 calendar days following the conclusion of the hearing unless this time is extended with the concurrence of the parties to the dispute, unless the applicable collective agreement specifically provides for a different period, in which case such different period shall prevail.

The decision of the Arbitrator shall not in any case add to, subtract from, modify, rescind or disregard any provision of the applicable collective agreement.

**13.** Each decision of the Arbitrator which is made under the authority of this Agreement shall be final and binding upon the Railway, the bargaining agent and all employees concerned.

**14.** Through the Office of Arbitration, the Arbitrator shall report the decision in each case and the reasons for such decision to all signatories hereto.

**15.** The Office of Arbitration shall maintain a complete and accurate record of all disputes submitted to it and of all decisions made by the Arbitrator or other dispositions respecting them, including the signed originals of all such decisions.

**16.** The signatories respectively shall do all such acts and things as are necessary to enable the Arbitrator to make proper findings respecting the matters in dispute and no signatory shall obstruct, delay or prevent the Arbitrator from proceeding with the matter before him or from making his decision.

**17.** The expenses of operating and administering the Office of Arbitration, including the fees and expenses of the Arbitrator and all necessary clerical and technical assistance shall be borne one-half by the Appendix "A" signatories and one-half by the Appendix "B" signatories. At the commencement of each year the Administrative Committee shall estimate the total ensuing year and, at that time and from time to time thereafter during the year shall make interim preliminary assessments equally upon the Appendix "A" signatories and the Appendix "B" signatories sufficient to defray current expenses currently. At the end of each year the total annual expenses actually incurred shall be apportioned as set out and all necessary credits and debits shall be made accordingly.

**18.** This Agreement shall be reviewed on an annual basis by the signatories hereto, which review shall take place on or before the first day of July in each year. At the time of this review the appointment of the Arbitrator shall be made, subject to the provisions of Clause 3 hereof, and any changes or alterations shall then be implemented as may be mutually agreed upon between the signatories hereto.

**19.** Any other recognized bargaining agent acting on behalf of the employees of a railway company which is a signatory hereto and any non-signatory railway company together with some or all of the recognized bargaining agents which represent its employees may from time to time be permitted to accede to these presents and, except as provided below, to be regarded for all the purposes hereof as if signatories hereto and as if their respective names appeared in Appendix "A", in the case of railway companies, or in Appendix "B", in the case of recognized bargaining agents, as the case may be, by filing a suitable written instrument of accession and attornment at the Office of Arbitration; provided, however, that the validity and operation of every such instrument shall be conditioned upon the prior concurrence and acceptance of it by all the signatories hereto as evidenced by the subscription or endorsement by each of the said instrument before it is filed.

**20.** Railway companies and recognized bargaining agents which accede to these presents, as provided for in Clause 19 hereof, will not have the right or power to terminate this Agreement. However, any such party may, following the first anniversary of its accession and attornment withdraw from this Agreement as of the 31st day of August in any year during the term hereof by giving at least 60 days' notice in writing of its intention to withdraw to the other parties (which notice shall be given by registered prepaid post) and by filing concurrently therewith a copy of such notice with the Office of Arbitration.

**21.** This Agreement shall commence on the first day of September, 1971 and shall remain in effect until August 31, 1972 and shall thereafter be renewed annually unless amended or terminated by the mutual agreement of the parties hereto; provided that any signatory hereto may withdraw from this Agreement as of the 31st day of August in any year during the term hereof by giving at least 60 days' notice in writing of its intention to withdraw to the other parties (which notice shall be given by registered prepaid post) and by filing concurrently therewith a copy of such notice with the Office of Arbitration.

#### APPENDIX "A"

For: Canadian Pacific Limited  
Windsor Station, Montreal 101, Quebec

**(Sgd) R. Colosimo**  
Manager, Labour Relations

For: Canadian National Railway Company  
Canadian National Steamship Company  
935 LaGauchetiere Street West,  
Montreal 101, Quebec

(Sgd) W.S. Mason  
Manager, Labour Relations

APPENDIX "B"

For: United Transportation Union

**(Sgd) G.C. Gale**

Vice-President  
610 Broadway Avenue  
Winnipeg, Man.

For: Brotherhood of Locomotive Engineers

**(Sgd) L.O. Hemmingson**

Vice-President  
640 Cathcart St., Room 103  
Montreal 111, Que.

For: Brotherhood of Maintenance of Way Employees

**(Sgd) W.M. Thompson**

Vice-President  
1708 Bank St.,  
Ottawa 8, Ont.

For: Canadian Brotherhood of Railway, Transport and General Workers

**(Sgd) J.A. Pelletier**

National Vice-President  
230 Laurier Avenue West  
Ottawa 4, Ont.

For: Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees

**(Sgd) W.C.Y. McGregor**

Int. Vice-President  
Suite 690, 550 Sherbrooke St. West  
Montreal 111, Que.

Signed at Montreal, Quebec, this 1st day of September 1971.

**Letter #14**

Ottawa, Ontario, December 13, 2001

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

Gentlemen:

During the current round of negotiations the Council expressed concern with respect to repetitive violations of the Collective Agreements. Although the Company does not entirely agree with the Council's position, the Company is prepared to deal with this matter as follows.

When it is agreed between the Company and the General Chairperson of the Union that the reasonable intent of application of the Collective Agreement has been violated an agreed to remedy shall apply.

The precise agreed to remedy, when applicable, will be agreed upon between the Company and the General Chairperson on a case-by-case basis. Cases will be considered if and only if the negotiated Collective Agreements do not provide for an existing penalty.

In the event an agreement cannot be reached between the Company and the General Chairperson as to the reasonable intent of application of the Collective Agreement and/or the necessary remedy to be applied the matter may within 30 calendar days be referred to an Arbitrator as outlined in the applicable Collective Agreements.

NOTE: A remedy is a deterrent against Collective Agreement violations. The intent is that the Collective Agreement and the provisions as contained therein are reasonable and practicable and provide operating flexibility. An agreed to remedy is intended to ensure the continued correct application of the Collective Agreement.

Yours truly,

**(Sgd) R. J. Dixon**  
Vice-President Labour Relations  
and Employment Legislation

**LETTER #15**

**BROWN SYSTEM**

February 12, 2005

Mr. Rex Beatty  
General Chairperson  
United Transportation Union  
421 Bay Street, Floor 2, Suite 207  
Sault Ste. Marie, Ontario P6A 1X3

Mr. Raymond LeBel  
General Chairperson  
United Transportation Union  
1026 St. Jean Street, Suite 200  
Quebec, Quebec G1R 1R7

Mr. Bryan Boechler  
General Chairperson  
United Transportation Union  
214 – 9622 42 Avenue NW  
Edmonton, Alberta T6E 5Y4

Gentlemen,

Re: Brown System of Discipline.

This will confirm discussions held during collective bargaining in 2004/2005 regarding the Company's approach to discipline.

To resolve the issue of discipline, for the life of the collective agreement(s) or until otherwise mutually agreed, the Company will utilize the Brown discipline system and standards in accordance with past practices and jurisprudence.

The Company and the Union agree that in the application of the Brown system of discipline, the Company may continue to issue discipline in the form of deferred suspensions (subject to Union appeal).

Grievances resulting from the issuance of deferred suspensions will be initiated at Step II of the Grievance procedure.

**(Sgd) Kim Madigan**  
Vice-President, Labour Relations  
North America

\*\* Renewed as per Memorandum of Agreement dated February 5, 2014.

**LETTER #16**

**Work Jurisdiction**

Toronto, Ontario, May 13, 2001

G. Halle                      CCROU Chairman  
W.G. Scarrow                CCROU Vice-Chairperson

Gentlemen:

During this round of negotiations the Council raised concerns regarding the CCROU's jurisdiction to work performed within yards relative to that provided for in the collective agreements of other crafts.

Discussions between the parties recognized the work that has normally and historically been performed by the CCROU relative to other crafts. In this regard the Company affirms that switching activities performed in CN Yards and CN facilities will be performed by the CCROU, excluding shop track facilities as defined by shop track limits.

The parties recognized that this letter cannot serve to limit the rights of other crafts as contained in their respective agreements, such as the performance of duties incidental to their work. Nevertheless the Company will assign work to the CCROU consistent with the foregoing.

Yours truly,

**(Sgd) Richard J. Dixon**  
Vice-President Labour Relations and  
Employment Legislation

**LETTER #17**

**Management Performing Bargaining Unit Work**

Toronto, Ontario, May 13, 2001

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

Gentlemen:

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

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

Yours truly,

**(Sgd) K. Heller**  
Senior Vice-President



## LETTER #18

### Establishment of Seniority for ACR and CN Employees

1. ACR running trades employees holding seniority as of February 22, 2012, will have their names added to the bottom of the CN Conductor/Trainman 17th seniority list in the same seniority order as they appear on the ACR seniority list.
2. ACR employees hired after February 22, 2012 will have their names added to the ACR and CN 17th seniority list as of their date of hire.

In the event that a new hire conductors course has a blend of CN and ACR employees, CN proper new hires will establish CN seniority first, and the ACR new hire conductors will be added to the CN seniority based on their ACR seniority behind those hired for CN from the blended class.

3. With respect to items 1 and 2 above, ACR running trades employees will at the same time, and in the same seniority order as their names are added to the CN Conductor/ Trainman 17th seniority list, have their names added to the bottom of the CN Conductor/Trainman 20th seniority list, and the same provisions of Agreement 4.16 that applies to all CN Conductor/Trainman on the 17th seniority list will apply. (including having their names added to the CN Master list for a position as Locomotive Engineer)
4. ACR employees who are laid off, will, within 72 hours from the time of being laid off, have the option of declaring to a position at CN. An employee, who declares, will have 15 days to report for duty. An employee who does not declare within 72 hours from the time of notification will be laid off, and the Lay Off provisions of the ACR Agreement will apply (Article 28).
5. With respect to item 4 above, only those employees who are laid off will have the option of declaring to a position at CN. At no time will ACR employees be forced to fill a position at CN.

### Shortage - ACR / CN

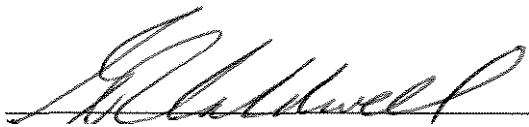
6. ACR employees who are laid off will have the option of remaining laid off or being forced to a shortage location at CN. The shortage provisions of Agreement 4.16 will apply to all ACR employees electing to report to a CN shortage location.
7. CN employees may be utilized to protect shortage work on ACR properties if there are no ACR employees available. The shortage provisions of Agreement 4.16 will apply to all CN employees electing to report to an ACR shortage location. *CN employees will not be forced to work at the ACR.*

**General**

- 8. ACR employees, upon initial declaration to a position at CN Rail under the jurisdiction of Agreement 4.16, or 1.1, will be provided familiarization trips prior to taking a position on the working list. Any subsequent declarations to CN positions employees will be required to fulfill their familiarization training requirements on their own time as identified in the provisions of the 4.16 or 1.1 collective agreements.

*Note: In the application of item 8, the Company recognizes that there are ACR employees that were hired as Locomotive Engineers and as such have never been trained and/or qualified to work as Conductors. If for any reason anyone of these employee's are required to work on CN Lines, the Company will ensure that they are provided with the proper Conductors training course for new hires.*

- 9. ACR employees who, upon declaration to a position at CN Rail under the jurisdiction of Agreement 4.16 or 1.1, require additional training not provided upon their initial declaration to a position at CN Rail as identified in item 8 above, (i.e. beltpack, CLO, CP, DP, etc.), as required, will be provided this training as set out in the provisions of the 4.16 or 1.1 collective agreement.
- 10. ACR employee's who are laid-off and elect to exercise their seniority to CN, must accept recall to the ACR.
- 11. As per item 1 of this agreement, ACR running trades employees holding seniority as of February 22, 2012 are listed in Appendix #1, and will be placed on the CN seniority lists in the same order as they appear in Appendix #1.



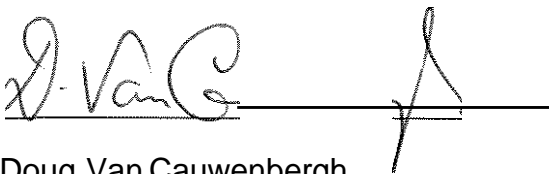
Date: July 8, 2014

Randy Caldwell  
TCRC Central Region & ACR



Date: July 8, 2014

Jim Robbins  
TCRC - CTY Central Region & ACR



Date : July 8, 2014

Doug Van Cauwenbergh  
Director Labour Relations, CN Railway

## APPENDIX 1

### ACR/CN Integrated Seniority Roster

District	Sub-district	PIN	Name	Craft	Rank	Refdate
43	SM	124840	HOPKINS SK KELLY	EN		700120
43	SM	124706	WITTY GA GLEN	CO		700529
43	SM	124831	MARQUIS RA ROBERT	EN		710610
43	SM	124703	WITTY GW GARY	CO		711005
43	SM	124743	DESCHENE KB KENNETH	SE		720215
43	SM	124716	CONWAY JR JAMES	EN		720515
43	SM	124713	RITCHIE HG HUGH	EN		721120
43	SM	124769	BREAULT MJ MEL	EN		721121
43	SM	124733	MCCLELLAND KR KIETH	CO		730301
43	HJ	124855	WRIGHT TM TIMOTHY	CO		730904
43	LT	124707	CHARLEBOIS GP GLENN	SE		740211
43	SM	124658	JACKSON DJ DALE	EN		740212
43	SM	124838	VENN RA RONALD	SE		740213
OS	SM	124803	NADJIWON PF PETER	CO		740510
43	HJ	124718	MCLAUGHLIN JJ JAMES	EN		740518
43	SM	124663	CELETTI DP DAVID	EN		740608
43	SM	140182	BAXTER G GERRY	CO		740622
43	SM	124796	RIVARD PJ PATRICK	BK		760525
43	SM	124780	MATTHEWS MS MICHAEL	CO		771224
43	SM	124647	MARQUIS CM CHARLES	BK		780509
43	SM	124715	BAILEY JC JAMES	BK		790312
43	SM	124737	ROSS K KELLY	BK		790514
43	HJ	124666	DOMICH D DEAN	CO		790515
43	SM	124799	INCH PR PERRY	BK		790531
43	SM	140262	RIVARD M MICHAEL	CO		790601
43	HJ	124751	MILNE LG LARRY	EN		811203
43	HJ	124755	MORENCY LW LLOYD	EN		820203
43	SM	124819	RAY RJ RICHARD	EN		820528
43	HJ	124671	SCHOEPFNER D DIETER	EN		830923
43	HJ	124849	KENNEDY TJ JOE	BK		850629
43	SM	124695	TOMAS FS STEVEN	EN		850629
43	SM	124650	LOWE CC CHRISTOPH	EN		880229
43	SM	141125	BRISSON P PIERRE	CO		880419
43	SM	124781	MCKAY MK MICHAEL	BK		880509
43	SM	124857	VENN VP VERDUN	EN		880509
43	SM	124680	RIVARD DL DONALD	EN		891120
43	SM	124702	VINCENT GE GARY	EN		900601
43	SM	124790	OCHMAN NJ NICK	BK		900604
43	LT	124777	HARGIS MJ MICHAEL	EN		920320
43	SM	147533	CAIN M MATT	FO		1070326
43	HJ	147548	WARNOCK K KYLE	ET		1070327
43	HJ	147542	CORRIVEAU J JUSTIN	CO		1070328
43	HJ	152688	LOWE D DAN	CO		1100118
43	HJ	152711	BENNETT *N* JAMES	CO		110011

