

BOOK OF FINAL CONTRACT LANGUAGE
RESPECTING THE
MEMORANDUM OF SETTLEMENT
BETWEEN
TEAMSTERS CANADA RAIL CONFERENCE
(TCRC)
AND
CANADIAN PACIFIC RAILWAY
(CPR)

NOVEMBER 13, 2004

1. TERM OF CONTRACT.....	4
2. WAGES	4
3. PENSION.....	4
4. BENEFITS	5
Plan Document Amendment	5
XX.01 Weekly Indemnity and Life Insurance.....	5
(1) Group Life Insurance	5
(2) Weekly Indemnity (Sickness) Benefits	6
XX.02 Life Insurance Upon Retirement.....	6
XX.03 Dental Plan.....	7
XX.04 Extended Health and Vision Care Plan.....	7
XX.05 Basic Extended Health Care Plan Upon Retirement.....	8
5. LAYOFF & RECALL	8
6. HELDAWAY	9
7. ANNUAL VACATION.....	10
8. SENIORITY	10
Locomotive Engineers	10
Trainmen – West & East.....	10
General	10
National Seniority	11
Voluntary and Forcing within an existing District (Trainmen)	11
Temporary Relocation – Unprotected Employees	12
9. FILLING OF VACANCIES – WEEKLY PLACEMENT PROCESS.....	12
10. TRAINING	13
General	13
Training Development	14
Trainmen Training	14
Locomotive Engineer Training.....	15
Familiarization	15
Rules Qualification	16
11. CONSOLIDATION OF COLLECTIVE AGREEMENTS	17
12. RUNAROUND	17
13. EXPANDED CREW CHANGE POINT	17
Expanded Crew Change Locations.....	17
14. SECOND ENGINEER – PASSENGER SERVICE	18
15. EXPRESSWAY	18
16. TCS	18
17. EMPLOYMENT EQUITY	18

18. REST.....	18
19. BEREAVEMENT.....	19
20. RETURN TO WORK POLICY.....	19
21. PRINTING OF AGREEMENTS.....	20
22. ONTARIO DISTRICT RULE 14.....	20
23. MONTREAL COMMUTER.....	20
24. BANKING OF CERTAIN PAYMENTS.....	20
25. CAB COMMITTEE.....	20
26. AUTOMOBILE MILEAGE ALLOWANCE.....	21
27. GENERAL.....	21
Letter #1 – Training Protocol.....	22
Letter #2 – Consent.....	24
Letter #3 – Checkerboard.....	25
Letter #4 – Health Spending Account.....	26
Background: The Current Program.....	26
The Health Spending Account.....	26
How the HSA works:.....	27
HSA Benefits.....	27
Letter #5 – Layoff & Recall.....	29
Letter # 6 – Annual Vacation Allotment.....	30
Letter #7 – Annual Vacation – Days Worked or Available.....	31
Letter #8 – VROPE/VROUE/VROQUE/ Compassionate Transfers.....	32
Letter #9 – Selection of Employees, Coaches and Field Placement Co-ordinators.....	33
Field Placement Coordinator Selection Criteria.....	34
Coach Selection Criteria.....	34
Letter #10 – Coaching Program – Conductors/Yardforemen/Yard Service Employees..	35
Letter #11 – Advanced Locomotive Engineer Training.....	36
Letter #12 – Collective Agreement Consolidation.....	37
Letter #13 – Runaround.....	39
Letter #14 – GO Transit Commuter Service – Crew Consist.....	40
Letter #15 – Expressway.....	41
Letter #16 – TCS.....	42
Letter #17 – Rest.....	43

Letter #18 – Commuter Rail - Montreal	44
Letter #19 – Banking of Certain Payments	46
Letter #20 – Cab Committee	47
Appendix A – Rate Tables	48
Appendix B – Annual Vacation Matrix	49
Appendix C – Locomotive Engineer Seniority	50
21.10 Voluntary Relocation without benefits	53
21.11 Voluntary Relocation with benefits	53
21.12 Union Security	54
Appendix D - Western Regional Seniority	56
Western Regional Agreement	56
41.20 Voluntary Relocation without benefits	56
41.21 Locomotive Engineer Qualification	57
41.22 Voluntary Relocation with benefits (within the Region)	57
Appendix E - Eastern Master Regional Agreement	59
01 Effective Date	59
02 Definitions	59
03 Placement of Employees and Seniority Rights	59
04 Promotion	61
05 Voluntary Relocation Outside District Without Benefits	62
06 Voluntary Relocation with Benefits	62
07 Coverage	63
Appendix F – Trainmen Training Article	64
Conductor/Yardforemen/Yard Service Employee New Hire Training & Experienced Trainmen	64
Appendix G – Expanded Crew Change Location	67
Questions & Answers	67

1. TERM OF CONTRACT

a) The Collective Agreements between the Company and the Teamsters Canada Rail Conference will be renewed for a period of four years commencing January 1st, 2003.

Article 40.01 Locomotive Engineers East and West. Articles 83.01 Trainmen West, 48 Trainmen East

XX.01 *Agreement is effective <ratification date> and supersedes all previous Agreements, rulings or interpretations which are in conflict therewith. It will remain in effect until December 31, 2006 and thereafter until revised or superseded. In accordance with the Canada Labour Code, S. 49 (1), this Agreement will be subject to four months written notice preceding the date of expiration of the term, from either party to the Agreement, of its desire to revise, amend or terminate it.*

SIGNED AT _____ **this** _____ **day of** _____, 2005.

2. WAGES

- a) Effective January 1st, 2003, an increase of 2% on all basic hourly, daily, weekly and mileage rates of pay.
- b) Effective January 1st, 2004, an increase of 3% on all basic hourly, daily, weekly and mileage rates of pay.
- c) Effective January 1st, 2005, an increase of 2.5% on all basic hourly, daily, weekly and mileage rates of pay.
- d) Effective January 1st, 2006, an increase of 3% on all basic hourly, daily, weekly and mileage rates of pay.
- e) Include a letter in regards to step rates pertaining to employees with previous work experience; attached **Letter #1 – Training Protocol**
- f) Effective December 31st, 2004 increase the basic hourly rates of pay for all employees in Yard Service by \$0.25/hour.
- g) Effective December 31st, 2005 increase the basic hourly rates of pay for all employees in Yard Service by \$0.25/hour.

3. PENSION

- (a) Effective December 30, 2004, the consent provision for unreduced early retirement benefits will be re-instated, subject to statutory grandfathering of accrued benefits.
- (b) Include a letter concerning consent; attached **Letter #2 Consent**.
- (c) Effective January 1, 2005 the pension formula shall be increased for employees who are represented by the Union to 1.7% of the members Highest Plan Earnings up to the Average Yearly Maximum Pensionable Earnings (YMPE).
- (d) Effective January 1, 2005 increase the pension contribution formula for employees who are represented by the Union to 7.19% for earnings up to the YMPE.

(e) Include a letter recognizing the application of Checkerboard; attached **Letter #3 Checkerboard**.

(f) These provisions will not form part of the Collective Agreement and are subject to the approval of the Pension Committee and the Board of Directors.

(g) Employees retiring on or after January 1, 2005 will have the option to choose an 80% or 100% survivor benefit on an actuarial reduced basis.

4. BENEFITS

Plan Document Amendment

a) Immediately upon ratification of this settlement, update the appropriate documents to reflect the following benefit terms.

b) In addition to the following, the parties commit to work on the existing Benefit Plan Documents in an effort to clarify to the point there is no ambiguity as to the benefits provided therein.

c) Upon ratification of this settlement, for employees who retire on or after that date, replace the current Health Care Plan with a new Health Spending Account (HSA) as per the **letter #4** attached.

Article 31 Locomotive Engineers East and West. Articles 69 Trainmen West, 43 Trainmen East

XX.01 Weekly Indemnity and Life Insurance

Benefits shall be available in accordance with the terms of the Disability and Life Insurance Plan Agreement dated November 29, 1988, establishing the Benefit Plan for Train and Engine Service Employees, as amended:

Note: The Agreement of November 29, 1988, referred to above, is not reproduced here.

(1) Group Life Insurance

(a) Group Life Insurance coverage will be increased for employees who have compensated service with the Company according to the following schedule, providing they are qualified under the provisions of the Benefit Plan:

<i>Effective first of the month following ratification</i>	\$35,000.00
<i>Effective January 1, 2006</i>	\$36,000.00

(b) Effective the first of the month following ratification, the benefit in the case of work related accidental death will be a \$100,000.00 death payment. The increases in (a) above will apply to other provisions of the AD&D Benefit Plan.

(c) The double indemnity provision for accidental death will include payment for paraplegia, hemiplegia and/or quadriplegia. Current provisions of the AD&D Benefit Plan will remain unchanged.

(d) Effective January 1, 2000, an optional employee paid life insurance program will be instituted, permitting an employee to purchase additional life insurance up to a maximum of \$250,000.00 in units of \$10,000.00.

The spouse may also purchase life insurance in units of \$10,000.00 to a maximum of \$150,000.00. Benefits to include a waiver of premium benefit during any period of disability. Individuals covered must provide evidence of insurability as determined by the carrier. Benefits will terminate at the earlier of retirement or the attainment of age 65.

(2) Weekly Indemnity (Sickness) Benefits

Weekly Indemnity (Sickness) payment for claims which originate on or after the following effective dates will be as follows:

WEEKLY BASE PAY

Employees earning less than \$120.01 weekly;

Employees earning more than \$120.01 weekly;

Effective first of the month following ratification.

Effective January 1, 2006.

SICKNESS BENEFIT

\$80 or 75% of weekly base pay, whichever is less.

70% of weekly base pay up to a maximum weekly benefit of \$570.

70% of weekly base pay up to a maximum weekly benefit of \$580.

A claimant in receipt of Employment Insurance Sickness Benefits will have such benefits supplemented to equal their Weekly Indemnity (Sickness) Benefit entitlement.

Note: Supplemental payments pursuant to the above are subject to the approval of the Canada Employment and Immigration Commission.

Effective first of the month following ratification, in the case of day surgery, coverage will commence from the first day of disability.

Effective the first of the month following ratification, Weekly Indemnity Benefits will be terminated as of the date lay-off starts, provided that when subject to lay-off, the employee has been advised in writing of lay-off prior to the beginning of illness or injury. The benefits claim will be reinstated when recalled if, at that time, the disability continues to exist.

XX.02 Life Insurance Upon Retirement

An employee who retires from the service of the Company subsequent to January 1, 1991, will, provided they are fifty five years of age or over and have not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$5,000.00 life insurance policy, fully paid up by the Company.

An employee who retires from the service of the Company subsequent to January 1, 2005, will, provided they are fifty five years of age or over and have not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$7,000.00 life insurance policy, fully paid up by the Company.

XX.03 Dental Plan

The Dental Plan Agreement, dated December 10, 1985, as amended will be further amended as follows in respect of employees covered by this Collective Agreement:

Note: The Dental Plan Agreement dated December 10, 1985 referred to above is not reproduced here.

- (1) *Effective with treatment which commenced on or after the first of the month after ratification covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2005.*
- (2) *Effective with treatment which commenced on or after January 1, 2006, covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2006.*
- (3) *For the province of Alberta, the Fee Guide stated above shall be the Alberta Representative Guide and will be made available to the TCRC Membership as published yearly by the Company.*
- (4) *Effective January 1, 2006, scaling will be limited to eight units for each plan and eligible dependant member per calendar year.*
- (5) Effective January 1, 2000, the frequency of exams will be extended from once every six months to once every nine months for adults over the age of 18.
- (6) Effective January 1, 2000, coverage will be provided to cover pit and fissure sealant for children under the age of 18.
- (7) Effective January 1, 2002, the annual maximum will be \$1,300.00.

XX.04 Extended Health and Vision Care Plan

(1) The Extended Health and Vision Care Plan shall be that Plan established by the Extended Health and Vision Care Plan Agreement dated December 10, 1985, as revised, amended or superseded by any agreement to which the parties to this Collective Agreement are signatories.

Note: The Extended Health and Vision Care Plan dated December 10, 1985, referred to above, is not reproduced here.

(2)(a) Paramedical coverage will include the service of practitioners licensed as speech therapists, osteopaths, chiropractors, podiatrists, Naturopath, acupuncturist, chiropodist and the Victorian Order of Nurses (VON). Annual maximum per discipline is \$500.

(b) Effective January 1, 2000, the maximum amount for chargeable expenses for vision care will be increased from \$175.00 to \$200.00 in any 18 month period for persons under the age of 18 and in any 24 month period for persons age 18 and over.

(c) Add to the existing Out of Canada medical insurance, an Emergency Travel Assistance benefit to provide 1-800 number that will guarantee payment under the plan for emergency treatment outside of Canada.

(3) Effective the first of the month following ratification, amend the plan to base reimbursement entitlement of medication on the cost of the appropriate generic

drug where less expensive than the brand name drug. A generic drug is defined as a drug which is identical or equivalent to a brand name drug in dosage, strength, route of administration, quality, performance characteristics, and intended use to a corresponding patent brand name drug. Note - Brand name drugs are covered if no generic drugs are available.

(4) Effective the first of the month following ratification specify that charges for blood testing monitor equipment, standard syringes, needles and diagnostic aids, and other supplies required for the treatment of diabetes will be covered including supplies for insulin injection pumps. (Charges for cotton swabs, rubbing alcohol, automatic jet injectors, insulin injection pumps and similar equipment are not covered.)

XX.05 Basic Extended Health Care Plan Upon Retirement

For employees who retire on or after November 1, 1985, a basic Extended Health Care Plan will be introduced, fully paid by the Company. Surviving spouses, as defined in the pension plan, of the aforementioned employees will also be covered by the basic Extended Health Care Plan.

Upon ratification, a new Health Spending Account will be instituted. Employees who retire within two years of January 1, 2005 would be offered the choice of the current plan above or the HSA. The provisions of the HSA are not reproduced here but will be made available. The parties commit to further discuss the design of the HSA during the closed period.

All other provisions of the Health and Welfare Articles remain unchanged.

5. LAYOFF & RECALL

Replace Article 65.01 Trainmen West and add a clause in a new article in Trainmen East with the following:

Employees who have been laid off due to reduction of staff will receive 15 days notice by registered mail when being recalled for service.

Add a new clause to Article 65 Trainmen West and to a new article in Trainmen East as follows:

Employees will be recalled for a minimum of 35 consecutive calendar days. Employees will be given a 10-day notice of lay off in writing. In the event of a strike or work stoppage by employees at Canadian Pacific Railway, a shorter lay off notice and recall period may be given.

If not required during the 35 consecutive calendar days or during the 10-day notice of lay off, employees may be required to go into training, perform familiarization or work at another location on the district. Employees will not be required to work at a location where there are laid off employees at that location. If required to work/familiarize at another location, employees to be provided transportation to and from the work location and suitable accommodation at that location. Employees may, upon mutual agreement, use this period to familiarize at a location off district. Benefits to be provided as per the provisions for employees working temporarily off of the district.

Add letter #5 – Layoff & Recall to be appended following article.

6. HELDAWAY

Replace the last sentence in articles 16.01 (1) and (2) Trainmen-West, last sentence of article 15(a) paragraphs 1 and 2 Trainmen-East, and the last sentence of article 11.01 paragraphs 1 and 2 Engineers East & West with the following:

Time will be computed from the time pay ceases on the incoming trip until the time the crew member either takes control of their train or locomotives for the working trip, or when deadheading, actual departure from the terminal.

Eliminate article 11.02 Engineers East & West.

Add a new clause item 16.08 Trainmen-West, 15(f) Trainmen-East, 11.07 Engineer-East and 11.09 Engineer-West as follows:

At locations identified by the General Chairmen, the Company shall supply the General Chairmen with a quarterly report of heldaway by Division, which will include specific examples of the heldaway issues. The appropriate General Chairmen, General Manager and AVP Network Manager Centre will meet in the interest of addressing same, at the request of the Union.

Change the reference from "minimum passenger rate" to "**minimum freight rate**" in article 11.01 first and second paragraphs Engineer E and West and articles 11.05 Engineer-East and 11.06 Engineer-West.

Article 11 Locomotive Engineers East and West.

11.01 Engineer in pool freight and in unassigned service held at other than home terminal longer than 11 hours without being called for duty will be paid minimum **freight** rates on the basis of 12-1/2 miles per hour for all time held in excess of 11 hours except that in cases of wreck, snow blockade or washouts on the subdivision to which assigned, Engineers held longer than 11 hours will be paid for the first 8 hours in each subsequent 24 hours thereafter. ***Time will be computed from the time pay ceases on the incoming trip until the time the crew member either takes control of their train or locomotives for the working trip, or when deadheading, actual departure from the terminal.***

In lieu of the provisions contained in the foregoing paragraph, Engineer in pool freight and in unassigned service working on a territory on which the Company has implemented conductor-only train operations, held at other than the home terminal longer than 10 hours without being called for duty will be paid minimum **freight** rates on the basis of 12-1/2 miles per hour for all time held in excess of 10 hours except that in cases of wreck, snow blockage or washouts on the subdivision to which assigned, Engineers held longer than 10 hours will be paid for the first 8 hours in each subsequent 24 hours thereafter. ***Time will be computed from the time pay ceases on the incoming trip until the time the crew member either takes control of their train or locomotives for the working trip, or when deadheading, actual departure from the terminal.***

11.02 Deleted

Article 11.05 Engineers east and 11.06 Engineers west:

11.0x Except in cases of wrecks, snow blockades or washouts on the Subdivision to which assigned, Engineer on assigned run held at away-from-home terminal awaiting his train

delayed beyond the advertised time of departure will be paid for all time so held if more than 5 hours. Five hours or less not to count. If held over 5 hours, payment to be made at 12-1/2 miles per hour for each hour over the said 5 hours at minimum **freight** rate. Payment under this Clause will cease when engineer is required to report for duty.

7. ANNUAL VACATION

Refer to **Letter #6 – Annual Vacation Allotment** to be included following articles 67 Trainmen West, 40 Trainmen East, and 17 Engineers East & West.

Refer to **Letter #7 – Days Worked or Available** to be included following articles 67 Trainmen West, 40 Trainmen East, and 17 Engineers East & West.

Eliminate Trainmen West articles 67.25 to 67.52 and replace with the following article 67.25

For the purpose of bulletining and awarding annual vacation for Yard employees, a separate list will be maintained. Otherwise, annual vacation for yard service employees will be governed as per the rules for annual vacation for Road Service employees.

Replace article 42- Rule 19 Trainmen East with the following rule

For the purpose of bulletining and awarding annual vacation for Yard employees, a separate list will be maintained. Otherwise, annual vacation for yard service employees will be governed as per the rules for annual vacation for Road Service employees.

8. SENIORITY

Locomotive Engineers

Replace Locomotive Engineer Article 21 East and West with the article attached in **Appendix C – Locomotive Engineer Seniority**.

Eliminate associated archive language in both Locomotive Engineer East and West agreements.

Trainmen – West & East

Include as new articles 41.13 to 41.22 in the Trainmen West agreement, the language within **Appendix D - Western Regional Seniority**.

Include as a new Appendix A-4(a) in the Trainmen East Agreement. Refer to **Appendix E – Eastern Master Regional Agreement**

General

Include as a new clause 41.23-41.25 in the Trainmen West Agreement and a new article in the Trainmen East Agreement as follows:

National Seniority

x.x Trainmen wishing to transfer between the eastern and western regions will be handled on an individual case by case basis ensuring no layoffs results. Employees so transferred who have a seniority date on or before July 14, 1995, will assume a seniority date on the new region of July 14, 1995. Employees so transferred who have a seniority date subsequent to July 14, 1995, will assume a seniority date on the new region of the actual seniority date. Such transfers will be done at the General Advertisement of Assignments unless otherwise mutually agreed. The Company may refuse a transfer requested if it results in a known shortage of employees, based upon information at the time, at the location the employee is bidding from.

Note: This is meant to apply to groups of employees moving. It would be unusual that movement of a single employee would result in a known shortage.

x.x All transfers must be approved by the Company and respective General Chairmen. This clause will expire on January 01, 2010.

x.x Voluntary relocation with benefits may be initiated by the Company from locations of surplus as identified by the Company off the Region once all opportunities are exhausted on the Region. Terms and benefits for long term and temporary relocation are to be the same as outlined in the Eastern and Western Trainmen's Regional provisions.

Refer to **Letter #8 - VROPE/VROUE/VROQUE** and Compassionate Transfers

Eliminate the VROUE, VROPE, and VROQUE agreements.

Voluntary and Forcing within an existing District (Trainmen)

Modify Article Trainmen West 10.03(3) (vi) and (vii) as follows:

(vi) If there is no unprotected employee available in the zone, the position will be filled by the unprotected employee not holding a position on the Superintendent's Division as they existed in 1992 on a senior may/junior must basis.

(vii) If there is no unprotected employee available in the Superintendent's Division as they existed in 1992, the position will be filled by the unprotected employee not holding a required position on the seniority district on a senior may/junior must basis.

Modify Article Trainmen East 9(a)2(3)(g) as follows:

(g) When notwithstanding the application of (d), (e) and (f) above, a permanent required position remains unfilled, it will be filled by the senior unprotected employee not holding a required position in the sub-zone in which the permanent position exists. If there is no unprotected employee available in that sub-zone, the position will be filled by the senior unprotected employee not holding a required position in the zone. If there is no unprotected employee available in the zone, the position will be filled by the unprotected employee not holding a position on the Superintendent's Division on a senior may/junior must basis. If there is no unprotected employee available in the Superintendent's Division, the position will

be filled by the unprotected employee not holding a required position on the seniority district on a senior may/junior must basis

Remove the reference to (vi) and (vii) in Question & Answer Article 10.03 (Q5) Trainmen West.

Add a new Question & Answer Article 10.03 (Q5a) Trainmen West and article 9a3, Article 3 question 3.5a Trainmen East as follows:

Q What does it mean in Article 10, Clause 10.03(3)(vi)(vii)/ Article 9(a)3(g) when it refers to "unprotected employee not holding a required position"?

A Since an unprotected employee is not permitted to hold a non-required job, the individual referred to is in fact laid off.

Add a new provision in the Trainmen West agreement 10.03(4) and the Trainmen East agreement 9(a)2(3)(h) and change corresponding references accordingly:

Temporary Relocation – Unprotected Employees

a) Employees temporarily required to work at another home terminal under item 10.03(3) vi & vii/9(a)2(3)(g) will be supplied transportation to and from the shortage location at beginning and end of the assignment, and adequate accommodation. Accommodation may include a Company Resthouse providing such accommodation does not regularly deplete accommodation for pool employees. In the event a commercial facility such as a hotel or motel is used, the Company will ensure the availability of cooking facilities or that a restaurant facility is available.

b) In lieu of the benefits as provided in clause (x) above, it may be mutually agreed upon locally to provide an employee with an automobile allowance of \$45.00/week.

c) Employees temporarily required to work at another home terminal under this provision may be required to work at the shortage location for 7 day periods of up to 90 days or the next change of card, whichever is the later date. They will, however, be subject to recall to their home terminal in seniority order. Should they not accept recall, the shortage location will become their new home terminal and no benefits under this provision will continue to apply. Employees no longer required prior to the time limits outlined above will be released from the shortage location on a senior may, junior must basis.

d) Upon notification of the requirement to work at another home terminal, employees will be given a reasonable period of time to allow for transportation to the shortage location.

9. FILLING OF VACANCIES – WEEKLY PLACEMENT PROCESS

Add the following as a new article in the four collective agreements. (Note List as Article 11 Trainmen West)

a) At locations where the existing Crew Change System does not fall under the following national guidelines, those locations will need to jointly (local Company and Union officers) establish a Weekly Crew Change System within 120 days of ratification. If unable to implement within the specified time frame issues may be advanced to the appropriate General Manager and General Chairman.

- b) These procedures are designed to eliminate mid week displacements and consequently provide employees a more stable work place.
- c) A weekly crew change will take place each Sunday at 2201 to be effective 0001 Monday governing:
 - (i) Establishment or reduction of all regular assignments
 - (ii) Adjustments to the pools
 - (iii) Adjustments to the spare board
 - (iv) Movement to or from vacancies
- d) Annual Vacation will begin and end effective with the weekly crew change. Employees will automatically be booked off and on by CMC, to coincide with the weekly crew change.
- e) General Advertisement of Assignments will coincide with the weekly crew change and all regular positions will be bulletined and awarded on the basis of seniority.
- f) The company will post job abolishments, permanent vacancies, new assignments and known vacancies at an agreed upon date/time on a weekly basis.
- g) Bids for weekly crew change will close between 1200 on the Thursday and 1200 on the Friday preceding the change unless otherwise mutually agreed.
- h) Adjustments to the pool(s) and spare board(s) will be determined by local company and union officers at the agreed upon time each week.
- i) The final weekly crew changes will be posted at the agreed upon time each week. Any subsequent corrections will be dealt with through the local management and local chairman or as mutually agreed.
- j) Employees will advise the CMC of their desired changes through a weekly bid system.
- k) Administration of the agreement will be done locally and any unresolved issues may be advanced to the General Chairman and General Manager.
- l) Prior to implementation of any agreement, where deemed necessary, requisite training of employees will be handled by mutual agreement. The Company will be responsible for the costs of local union representatives conducting training or attending meetings needed to agree with the terms of any agreement and implement such agreements.

10. TRAINING

General

Replace articles 1.09 Eng-East and 1.14 Eng-West with the language:

- Engineer Instructors training Locomotive Engineer trainees or providing familiarization shall receive the monetary equivalent of two hours pay per tour of duty at the class of service being performed.

Upon completion of the tour of duty, Instructors are required to complete and submit evaluation forms to the appropriate Company officer as required. The proper submission of the evaluation form(s) is required to claim the allowance.

Add a new article to all four agreements as follows:

Training Development

- xx.01** *Classroom instruction and on-the-job-training where required will be performance based and will not be tied to any obligatory number of working tours of duty prior to being declared qualified.*
- xx.02** *Training programs for Rules Qualifications, New Hire training and Locomotive Engineer training will be developed in consultation with the General Chairman or their designates.*
- xx.03** *Within six (6) months of the implementation of a new training program, the Company and the Union will meet to review the course material to determine if changes are appropriate, based on the first six (6) months of training that has been completed. The time period within which this review will be conducted, may be adjusted as deemed appropriate by the parties.*
- xx.04** *In the event of a disagreement with respect to the structure and/or content of a training program, the General Chair(s) or their designate may raise such concerns with the Director Labour Relations or their designate. Failing resolution at this level, the issue(s) may be progressed to the Vice President TCRC and the Assistant Vice-President, Industrial Relations.*
- xx.05** *All training programs above will be filed with the office of the TCRC VP and National Legislative Representative.*

Trainmen Training

Refer to **Letter #9 - Selection of Employees, Coaches and Field Placement Officers**. Letter to be included at end of Trainmen training article.

Eliminate articles 25.11 and replace article 36 Trainmen-West with the article attached in **Appendix F**

Eliminate article 23.7 and replace article 34 Trainmen-East and attached letters with the article attached in **Appendix F**.

Replace articles 1.16 Trainmen-West and 1(h)Trainmen-East, with the language:

The allowance to be paid for student training is as follows:

Conductors/Yardforemen or Trainmen/Yardmen who have been trained as Coaches and who are assigned as a coach shall receive the monetary equivalent of two hours pay at the class of service being performed per tour of duty or yard shift a trainee is trained. This allowance will only be paid to one Coach per tour of duty or yard shift. Trainmen not trained as a Coach will receive \$20 for Conductors/Yard Foremen and \$13 for Trainmen/Yardmen per tour of duty or yard shift a trainee is trained. This provision shall also apply for Conductors/Yardforemen and Trainmen/Yardmen providing familiarization.

Upon completion of the tour of duty, Instructors are required to complete and submit evaluation forms to the appropriate Company officer as required. The proper submission of the evaluation form(s) is required to claim the allowance.

Refer to Letter #10 – Coaching Program. Letter to be included at end of Trainmen training article.

Increase the weekly Student Training rate to 75% of the Yard Helper rate. Refer to **Appendix A – Rate tables.**

Locomotive Engineer Training

Replace the chart in articles Trainmen-West 75.11, Engineer-West Archive App A 12 (d), and add appropriate article to Trainmen and Engineers East agreements with the chart below and add the provision below as a new clause under the same article:

<i>Phase 1</i>	<i>Phase 2</i>	<i>Phase 3</i>	<i>Phase 4</i>	<i>Phase 5</i>	<i>Phase 6</i>	<i>Phase 7</i>
<i>Mechanical & Rules Instruction</i>	<i>2 Week 1-0n-1 Training</i>	<i>Working On the Job Training with a Qualified Locomotive Engineer Instructor (max 18 months)</i>	<i>Mechanical & Rules Instruction</i>	<i>Qualification as Locomotive Engineer including unique training where applicable</i>	<i>Familiarization /Qualification on other primary runs</i>	<i>Qualified as a Locomotive Engineer</i>

(x) Employees who participate in OJT training in Phase 3 as outlined in this article, will, upon the commencement of phase 4, will be provided with a one time bonus payment of \$1,000.

Replace article Trainmen-West 75.24 (1) and include the language in Trainmen-East accordingly:

Subject to the provision of this clause, employees are obligated to take training in their seniority turn and may not refuse training. Selection of candidates for training shall be the responsibility of the Company with input from local union officers. The selection process will include an aptitude test prescribed by the Company. If an applicant is not selected, they will be advised, in writing, the reason therefore. Within 90 days of notification, employees who are not selected may request to be considered for the next Locomotive Engineer's program at their home location. Such request can only be made once and will not be denied.

Refer to **Letter #11 – Advanced Locomotive Engineer Training.** Letter to be placed at end of Locomotive Engineer Training article.

Familiarization

Modify Trainmen-West 38.20(1) and (2) as outlined below. Add article 38.20 to Trainmen-East agreement.

(1) Unless previously familiarized, employees forced or transferring between terminals, or between Yard and Road Service will be given an adequate amount of

familiarization at the Company's expense. Employees who do not work for 12 consecutive months or more, will also be provided familiarization as outlined below.

(2) Where an employee is forced from one terminal to another or required to take familiarization because they have not worked for 12 consecutive months or more, they will receive payment for familiarization tours of duty on the basis of the actual tour being performed, at the rate of pay associated with the service being familiarized for, e.g., Conductor, Yard Foreman, Locomotive Engineer, etc., but will not be entitled to any Conductor Only premiums when working with Conductor Only crews; shift differentials when working with yard crews; or other arbitrary payments to which the crew with whom they are working would be entitled to for the tour of duty.

Modify Engineers-West 30.19 & Engineers-East 30.10, clauses (1) and (2) as outlined below.

(1) Unless previously familiarized, employees forced or transferring between terminals, or between Yard and Road Service will be given an adequate amount of familiarization at the Company's expense. Employees who do not work for 12 consecutive months or more as a Locomotive Engineer, will also be provided familiarization as outlined below.

(2) Where an employee is forced from one terminal to another or required to take familiarization because they do not work for 12 consecutive months or more as a Locomotive Engineer, they will receive payment for familiarization tours of duty on the basis of the actual tour being performed, at the rate of pay associated with the service being familiarized for, e.g., Conductor, Yard Foreman, Locomotive Engineer, etc., but will not be entitled to any Conductor Only premiums when working with Conductor Only crews; shift differentials when working with yard crews; or other arbitrary payments to which the crew with whom they are working would be entitled to for the tour of duty.

Add the following sentence to article Trainmen-W 75.19 and Trainmen-E Appendix A5-14(a):

Qualified Locomotive Engineers who do not work as a Locomotive Engineer for 12 consecutive months will be required to make a refresher trip.

Add a clause (8) under articles Trainmen-West 38.20 and appropriate Trainmen-East article and add a clause (7) under articles Engineers-West 30.19 and Engineers-East 30.10 as follows:

Working employees familiarizing another employee will be compensated the training allowance as per article 1.16 (Trainmen-West), 1(h)(Trainmen-East), 1.09 (Eng-East), 1.14 (Eng-West).

Rules Qualification

Modify the collective agreement language to add current classifications and the appropriate daily rates for RQ training and other than RQ training. Classifications to include P&C assignments and Intermodal assignments. - Refer to RQ and other than RQ rate tables in **Appendix A**.

Increase the RQ and Other Than RQ training rates as per the General Wage increases. - Refer to RQ rates and Other than RQ rates in **Appendix A**.

Modify articles Trainmen-West 25.12(2), Trainmen-East 23.8(a)(2), Engineers-West & East 5.09(2) as follows:

Where the training location is at other than the employee's home terminal or is not provided at the outpost terminal to which the employee is assigned, the Company will arrange and provide appropriate transportation. Employees authorized to use their personal automobile and who elect to do so will be paid the mileage allowance provided in the Collective Agreement in accordance with the conditions attached thereto.

11. CONSOLIDATION OF COLLECTIVE AGREEMENTS

As per attached **letter number 12 – Consolidation of Collective Agreements.**

Letter to be included at the end of all four agreements.

12. RUNAROUND

- Add a **letter #13** - Runaround following article 15 Trainmen West, 13 Trainmen East, 30 Engineers East & West attached as letter # 6.

13. EXPANDED CREW CHANGE POINT

Add a new article to all four collective agreements as follows:

Expanded Crew Change Locations

xx.01 Subject to the provisions below including the Questions & Answers, where implemented, crews may operate within an expanded crew change point up to 20 miles outside the OMTS/designated points to relieve, stage or retrieve trains as part of a single tour of duty.

xx.02 Payment for running long within an expanded crew change point will be time or miles, which ever is greater. Such payment will be in addition to pay for the rest of the trip and will not be used to make up the minimum day for the tour of duty.

xx.03 At crew change points where declared, crews who tie down their train within 20 miles of the crew change point and who are not relieved by a crew that normally operates over their territory or whose train is not retrieved by a roadswitcher or a crew normally assigned to their territory will be deemed to have reached the objective terminal for the purposes of the fixed mileage.

xx.04 At major terminals (Vancouver, Calgary, Moose Jaw, Winnipeg, Thunder Bay, Toronto, Montreal), local agreement is required prior to implementation of this provision. Such agreement must be based on the following criteria:

- Maximum of 20 miles outside of current OMTS/designated points
- Crew should be able to reasonably reach their objective terminal within a single tour of duty.

Should the parties not be able to agree upon the implementation of this provision at these locations at the local level, the issue will be progressed to the appropriate General Chairman and Director, Labour Relations. If no resolve, the matter will be

progressed to a Mediator appointed by the Federal Mediation and Conciliation Services for mediation/arbitration for final determination based upon the criteria above.

xx.05 At all other crew change points, the Company may implement expanded crew change points after consultation with the appropriate Local Chairmen and after providing written notice.

xx.06 Crews called in turnaround service will not be required to run through an expanded crew change point.

xx.07 This rule relaxes restrictions in article (Trainmen West 37.02/ Engineer West 39.09/Engineer East 30.05).

Include Questions & Answers in Appendix G following the new article.

14. SECOND ENGINEER – PASSENGER SERVICE

Letter #14 – GO Transit Commuter Service – Crew Consist to be included at end of Article 2 Locomotive Engineer's East:

15. EXPRESSWAY

Resolve issue as per **Letter #15 attached – Expressway.**

Remove reference to Expressway in articles 1.24(17) Trainmen West, 1.18(17) Engineers west and 1.16(17) Engineers East.

16. TCS

Refer to Letter #16 – TCS.

Letter to be placed in collective agreement following article: 24 Trainmen-W, 22 Trainmen –E, 5 Engineers-East and West.

17. EMPLOYMENT EQUITY

Add clause as the last paragraph to the Preamble of all four agreements:

“The Company and the Union acknowledge that they will support Employment Equity plans that have been developed in consultation with the Union to address employment.”

18. REST

Add new clause 28.02 Trainmen West and change number for subsequent clauses and new sentence to article 25 Trainmen East:

“Trainmen at the home terminal cancelled prior to commencing work will be entitled to book up to eight hours rest.”

Add the following sentence to article 58.05 Trainmen West and article 42-Rule 20 Trainmen East as follows:

“A Spare Yardmen (at the home terminal) cancelled prior to commencing work will be entitled to book up to eight hours rest.”

Replace the first sentence of articles 10.03 Engineers West and East with the following:

“Engineers at the home terminal cancelled prior to commencing work will be entitled to book between five and eight hours rest.”

Letter #17- Rest, to be placed in collective agreement following article 29 Trainmen-W, 26 Trainmen -E, 27 Engineers-East and West.

19. BEREAVEMENT

Replace clauses: 66.01 Trainmen West, first sentence of article 44 Trainmen East, and clauses 19.01 Engineers East and West with the following:

(1) Upon the death of an employee's spouse, child, step child or parent, an employee who has not less than 3 months cumulative compensated service shall be entitled to 5 consecutive calendar days' bereavement leave with payment of lost earnings exclusive of overtime within such 5 days.

(2) Upon the death of an employee's father-in-law, mother-in-law, brother, sister, step-brother, step-sister, step-parent, grandparent, spousal grandparent, grandchild and step-grandchild an employee who has not less than 3 months cumulative compensated service shall be entitled to 3 consecutive calendar days' bereavement leave with payment of lost earnings exclusive of overtime within such 3 days.

20. RETURN TO WORK POLICY

Add the following article to all four agreements:

xx.xx Return to Work

1) The Company and the TCRC recognize their legal and moral responsibility to accommodate disabled employees. This responsibility will be accomplished through both parties' continued participation in the CPR/Multi-Union Return to Work Program, of which the labour organizations representing running trades employees at CPR were founding members.

2) In addition to ensuring that both parties remain in compliance with applicable legislation, participation in the Return to Work Program enhances the opportunity to accommodate disabled employees.

3) Acknowledging that a number of policy and personnel changes have taken place over the last few years, this will confirm the need for a renewed commitment to the Return to Work program. This renewal will include but not be limited to an audit of TCRC local committee members to be completed prior to the end of January 2005, the appointment of local committee members as required, and Return to Work Program training prior to the end of June 2005.

21. PRINTING OF AGREEMENTS

Replace articles: 82.01 Trainmen West, 46(b) Trainmen East, 37.01 Engineers East and West with the following:

xx.xx The Company will provide the TCRC with electronic and paper copies of a draft agreement(s) in both official languages within 45 days of signing the Memorandum of Agreement,. The TCRC will proof read and respond with changes within 30 days of receipt. Once the response is received, the parties will meet within 30 days to finalize the changes. Within 15 days of finalizing the changes, the agreement will be sent for printing. The printing of the agreement(s) will be the responsibility of the Company and it will absorb the cost of such printing.

22. ONTARIO DISTRICT RULE 14

TCRC Locomotive Engineers East District Local Rules

Rule 14 - Deleted

23. MONTREAL COMMUTER

Refer to **Letter #18 – Commuter Rail – Montreal**

24. BANKING OF CERTAIN PAYMENTS

Reference **Letter #19 – Banking of Certain Payments**
Include letter at the end of all four agreements.

25. CAB COMMITTEE

Refer **Letter #20 – Cab Committee,**

Letter to be appended behind current Cab Committee letter in Trainmen East and West agreements, and following article 29 in Engineers West and East agreements.

26. AUTOMOBILE MILEAGE ALLOWANCE

Modify the reference from 28 cents per kilometer to 30 cents per kilometer in articles
1.20 Trainmen West, 1(k) Trainmen East, 5.02 (4) Engineers East and West

27. GENERAL

- a) The foregoing changes are in full settlement of all demands served by and upon Canadian Pacific Railway Company and the Teamsters Canada Rail Conference or the Canadian Council of Railway Operating Unions, on or subsequent to October 3, 2002.*
- b) This document shall constitute the Memorandum of Agreement for the purpose of amending the Collective agreements.*
- c) Employees who were in service on January 1, 2003 or who were employed subsequent thereto, shall, providing they have not been dismissed from the service or resigned prior to the ratification of this agreement, be entitled to any amount of increased compensation that is due them for time worked subsequent to December 31st, 2002 as outlined in Item 2 (a,b,c&f) and Item 10 (Rules Qualification (b)) of this agreement.*
- d) It is understood that this Memorandum of Settlement is subject to ratification by the employees in the bargaining unit and shall constitute a binding collective agreement only when written notice of such ratification is communicated to the Company.*

Letter #1 – Training Protocol

November 13, 2004

Mr. T.G Hucker
Vice President and National Legislative Representative
Teamster Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, Ontario K2P 1P1

Dear Sir,

This is in regards to our recent discussions concerning a protocol for dealing with employees hired by CPR who have previously qualified as a Running Trades employee in Canada.

Based on conversations, it was understood that the following would apply in respect to training.

Scenario	Classroom Training (Trainmen)	On the job training (Trainmen)	Other requirements	Step Rates
Former CPR employee - valid RQ, returns to the Company within 90 days.	-none if RQ applicable to the area	-familiarization as per articles 38.20 (3)&(4)	-n/a	- Recognize previous service
Former CPR employee - returns to the Company after 90 days but within three years of working as a running trades employee.	- RQ if no longer valid at RQ rates. - First Aid, SOFA, Dangerous Commodities, Fire Extinguisher, Harassment & Discrimination, Violence in the Workplace training if not previously received and local union presentation as per article 36.03 at training rate.	At a minimum familiarization as per articles 38.20 (3)&(4). To be extended depending upon amount of experience and time away from work as determined by local management in consultation with local union officers	- Medical examination & regulatory requirements	- Recognize previous service
Not a Former CPR employee - previously qualified and working as a running trades employee within three years of date of hire.	-1-2 wks training including: differences training, RQ class, First Aid, SOFA, Dangerous Commodities, Fire Extinguisher, Harassment & Discrimination, Violence in the Workplace training and local union presentation as per article 36.03 at training rate.	Depending upon level/type of prior experience, amount of time since working, familiarization to be determined by local management in consultation with local union officers	- Medical examination & regulatory requirements	- Recognize previous service

Additionally, it was understood that if the employee was a qualified Locomotive Engineer, in all scenarios, they would be required to re-qualify. The amount of familiarization prior to such requalification would be dependent upon the complexity of the territory and the employee's familiarization.

Further, recognizing that the training and other requirements will change over time, individual cases or circumstances which fall outside these general scenarios will be discussed between Labour Relations and the General Chair offices.

As clarification, the following was agreed concerning seniority.

1) For the purposes of Trainmen seniority, the "first paid trip" as outlined in Article 36.05 and 43.01 Trainmen's West and Articles 34(e) and 37(d) Trainmen's East agreement is understood to mean the first day for which the new employee receives compensation. This may include the first day of class, RQ training or familiarization, which ever is appropriate.

2) For the purposes of Trainmen seniority and article 36.05 of the Trainmen's West and 37(d) Trainmen's East agreement, current CPR employees who apply and are accepted for a position in the running trades ranks, will be deemed to have applied for the position prior to those employees accepted into the program outside of CPR. If there are two CPR employees who are accepted into the program, the order of their application will be ranked based on earliest continuous service date.

3) Regardless of whether or not the new employee is trained as a Locomotive Engineer, their Locomotive Engineer seniority standing will stand behind the next senior trainperson on the appropriate seniority list.

In reaching this protocol, it was understood that as training needs may vary with regulations and Company requirements, as per the collective agreement, any changes to the training program and the amount of familiarization may take place after consultation with the General Chairs. No other alterations, however, shall occur to this protocol without prior consent of the applicable General Chairs.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #2 – Consent

November 13, 2004

Mr. T.G Hucker
Vice President and
National Legislative Representative
Teamster Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, Ontario
K2P 1P1

Dear Sir

This concerns the Company's desire to re-instate the consent provisions for TCRC members in the Pension Plan.

You have raised a concern that re-instating consent will lead to corporate abuse of the provision. This will confirm that, for any TCRC member otherwise entitled to retire under the Pension Rules, in the event that consent is denied by the Company, and the denial is confirmed by the Vice-President, HR/IR, the affected employee will receive an amount equal to their five year highest average yearly earnings, with a minimum of \$70,000.00, payable at the beginning of each twelve month period that consent is withheld.

For clarity, this will confirm that under the provisions of this letter all pre-retirement annual vacation must be taken prior to the employee commencing retirement. A change by the Company to the effective date of retirement due to the exhausting of outstanding vacation does not constitute a denial of consent. As well this will confirm that the Company consent requirement for unreduced early retirement benefits shall not apply to an employee who satisfies the age and service requirements for unreduced early retirement and is terminated by the Company.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

Letter #3 – Checkerboard

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This concerns employees who cross between departments/labour organizations, and because of such transfers, may be disadvantaged under our current Pension Plan rules.

As you are aware, the different pension arrangements for the various bargaining units cause administrative challenges when it comes to tracking and calculating pensions for employees who move between bargaining units or between bargaining units and non-union positions. The proposed “checkerboard solution” not only reduces administrative workload, but also provides employees who have transferred a potentially higher pension than they would have received under the current rules. It is important to note that in relation to the current application of the Pension Plan rules, no employee will be disadvantaged under the implementation of checkerboard.

The attached example illustrates potential value to be generated through the implementation of checkerboard. This will confirm that there are currently one hundred and thirteen (113) TCRC members who have transferred between bargaining units in the past and will benefit through the implementation of checkerboard. This number will of course grow in the future.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur with the implementation of checkerboard:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #4 – Health Spending Account

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regard to our discussions concerning the implementation of a Health Spending Account for retirees. As agreed, background concerning the current program and how the Health Spending Account will work as well as the benefits associated with the new HSA are outlined below.

Background: The Current Program

Although the health care environment has changed a great deal and costs have continued to increase, the pensioner health plan has not been updated in many years. The “basic” pensioner health plan features a lifetime maximum benefit of \$15,000 and provides coverage for a restricted amount of prescription drugs and other medical services.

The lifetime maximum under the current plan provides less in the way of coverage as health care costs continue to rise, and as more of the costs are shifted to from the government-provided plan to pensioners. Moreover, the benefits covered by the current plan are limited. For example, the basic plan *does not cover* most paramedical practitioners (i.e., services of a chiropractor or podiatrists), nursing services and auxiliary facilities, nor does it cover dental care, vision care, hearing aids or out-of-country medical expenses.

CPR also offers a \$10,000 “top-up” plan, which pensioners can buy at an additional cost to supplement their basic coverage. The majority of pensioners buy the top-up plan, even though it, too, offers limited coverage.

The Health Spending Account

The HSA would not be available to current pensioners or any employees who retire before January 1, 2005. Employees who retire subsequent to December 31, 2004 would be eligible for the HSA. Employees who retire within two years of January 1, 2005 would be offered the choice of the current plan or the new HSA.

How the HSA works:

There is no change from current eligibility requirements. A retired employee will receive from CPR an annual contribution to his/her HSA for the rest of his/her life. This contribution will also continue for the remainder of the employee's spouse's life.

- The amount of money is determined by a formula, based on an employee's length of service with the company. Under the formula, an employee will accrue \$33 for each year of active service. For example, if an employee had 26 years of service when he retired, he would receive \$858 each year in his HSA (\$33 per year x 26 years of service = \$858 per year). When the employee died, his surviving spouse would be eligible for the full amount of the HSA for the rest of her life.
- When an employee incurs an eligible health expense that is not covered by provincial health care (such as vision care, dental treatment, hearing aids, etc.), the employee pays for the service and then uses the money in his/her HSA to reimburse himself/herself tax-free for the expense. The list of 'eligible' expenses is defined by tax law, and is much broader than the expenses covered by the current CPR basic and top-up plans. There is no deductible associated with this approach.
- The HSA may also be used to pay for premiums for private health or dental coverage (or for the Quebec pharmacare premiums for those pensioners living in Quebec).
- In order to simplify personal administration required from the retiree, CPR has secured an optional "preferred provider" health care insurer who will offer a choice of different plans at better rates than pensioners are capable of getting on their own.
- Any balance remaining in the HSA at the end of the year is carried over to the next year and added to the Company's annual contribution. However, the carry forward amount must be used in the following year; otherwise the law requires it be forfeited (i.e., each HSA amount has a 'lifespan' of 2 years).
- The money contributed by CPR to the HSA is not taxable; the only exception is for those pensioners living in Quebec. However, the Quebec pharmacare premium that pensioners are currently paying could be paid through the HSA.

HSA Benefits

- **Flexibility** — since pensioners can choose the benefits they need, based on their own personal circumstances
- **Tax effectiveness** — since money going into and out of these accounts are not taxable to pensioners (except in Quebec)
- **Better coverage options** — since pensioners can use their HSA to pay for a wide range of health care benefits not covered under our existing plan, including the opportunity to purchase out-of-country emergency medical coverage.

Communicating the new plan to employees will be critical. CPR is committed to provide extensive communication. For instance, a call centre has been established so that Plan members can have access to the necessary resources to answer all of their questions and to take full advantage of all of the features this new approach will offer.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #5 – Layoff & Recall

November 13, 2004

Mr. D. Finnson
General Chairman- Trainmen West
Teamsters Canada Rail Conference
Suite 309, 8989 Macleod Tr S
Calgary AB T2H0M2

Mr. D. Genereux
General Chairman- Trainmen East
Teamsters Canada Rail Conference
55 Annonciation
Oka PQ J0N1E0

Dear Sirs,

This is in regards to our discussions concerning the application of the new Layoff & Recall clause as outlined in the Memorandum of Settlement dated November 13, 2004.

This letter is to confirm the following understanding was reached:

Notice of Layoff

a) Once an employee has been issued notice of layoff, should the needs of the business change, such notice may be rescinded prior to layoff. Once such notice is rescinded, a new 10 day notice of layoff must be provided prior to laying off the employee. All related notices must be in writing.

Recall

a) Employees must be provided a 15 day notice of recall. Should an employee wish to return to active service prior to the 15 days, they may do so if required. In no case shall a junior laid off employee be permitted to return to active service prior to the expiration of the 15 day notice without providing the same opportunity to a senior laid off employee who has been provided the same notice.

b) For clarification, the minimum 35 day period of recall shall commence the first day the employees returns to service.

In all instances, notice of recall and layoff will be provided to take effect with the weekly change.

Sincerely,

J. Copping
Director, Labour Relations

I Concur:

Mr. D. Finnson
General Chairman- Trainmen West

Mr. D. Genereux
General Chairman- Trainmen East

Letter # 6 – Annual Vacation Allotment

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to our conversations during bargaining pertaining to the process for the flatlining of annual vacation (AV).

For clarification, it was agreed that prior to the awarding of AV, local union and management representatives would meet to:

- (i) Establish a base line determined by dividing the number of weeks of AV at the terminal by the distribution period (48 weeks). In all cases, the baseline is to be rounded up to the nearest whole number.
- (ii) Review previous local experience and future traffic projections to determine whether or not the base line can be increased and by how much for periods of premium vacation demand.
- (iii) Where appropriate, if traffic volumes decline more than anticipated during periods of premium vacation or if employees are laid off, the Company would offer additional AV slots and award according to local practice.

It was also agreed that where authorized by the respective General Chairman, local arrangements may be made to distribute annual vacation amongst employees. Such arrangements, however, will not impact the amount of AV slots provided per week as determined above.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #7 – Annual Vacation – Days Worked or Available

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to our conversations during bargaining pertaining to the meaning of days “worked and/or available” in the calculation of days of Annual Vacation (AV).

It was confirmed that the reference to days “worked and/or available” referred to the majority of the day. For example if a Road employee with 14 years continuous service worked or was available for the majority of each of 312 days in the preceding year, the employee would be entitled to 24 days (3 weeks and 3 days) of AV the following year. (This is determined by dividing 312 days by 13 as provided for in the collective agreement.)

It was further agreed that, at the employee’s discretion, the number of days of AV would be rounded up to the nearest week. (See Matrix attached in Appendix B.) In the example above, the employee could choose to take 4 weeks AV. (Note that this would not increase the pay the employee received for the AV.) Such election would be required to be made on the bid for annual vacation. An employee who chooses not to round up to a full week may take the less than full week period at mutually agreed upon times throughout the year.

Finally, it was confirmed that in the application of this clause that days on union leave and authorized Company business leave would be considered as days “worked and/or available” for the purpose of this calculation.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #8 – VROPE/VROUE/VROQUE/ Compassionate Transfers

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to our discussions concerning employees who have relocated between the existing seniority districts under the VROPE/VROUE/VROQUE agreements as well as those who have relocated under compassionate transfer agreements.

In recognition of the new Eastern regional, Western regional and National Seniority provisions, the following was agreed:

- a) Employees who have relocated under the VROPE/VROUE and VROQUE agreements who wish to return to their respective originating seniority districts under those agreements must do so prior to December 31, 2006. Thereafter, their ability to transfer between districts and regions will be based upon the new provisions in the collective agreement. Their seniority date on their original seniority district will remain intact.
- b) Employees who have been granted compassionate transfers between seniority districts will have their seniority rectified as per the terms of the regional and national seniority provisions. It is incumbent upon employees to whom this provision applies to approach their local chairmen to commence this process within 60 days of ratification. All such rectifications must be authorized by the appropriate General Chairmen and General Manager.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #9 – Selection of Employees, Coaches and Field Placement Co-ordinators

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This pertains to our discussions during the current round of collective bargaining regarding your interest in having a local union officer involved in the hiring process of new running trades employees, as well as the selection of Coaches and Field Placement Co-ordinators.

This is to confirm the Company's commitment to invite a local union representative to participate in interview and selection process of new employees; assist in jointly identifying and jointly selecting Coaches as well as assist in jointly identifying and jointly selecting Field Placement Co-ordinators.

In participating in these processes, it was recognized that the criteria and the process for selection of new employees would be provided by the Human Resources Department. The criteria for the selection of Coaches and Field Placement Co-ordinators as provided by the Training Department are attached to this letter.

Yours truly,

M.G. DeGirolamo
Assistant Vice-President

Field Placement Coordinator Selection Criteria

PURPOSE & OBJECTIVE:

To effectively implement and conduct the Field placement portion of the New Hire Conductor Training program to new employees.

SELECTION CRITERIA:

- Viewed by union and management as an individual with excellent safety practices (cardinal rule and safety rule violations)
- Minimum 5 years experience as a running trade employee
- Well respected by peers (running trades employees and management)
- Need to demonstrate superior rules knowledge (CROR and Safety).
- Demonstrated ability to manage individuals effectively in a professional and courteous manner
- Demonstrated ability to communicate (written and verbal) effectively with running trades employees and management
- Demonstrated ability to work with minimal supervision
- Demonstrated ability to solve problems/scheduling issues/decision making
- Demonstrated ability to resolve conflict
- Ability to work in a team environment (Road/Yard Managers, other FPS, TTG (Technical training group) instructors)
- Previous supervisory or coaching experience is an asset

Coach Selection Criteria

PURPOSE & OBJECTIVE:

To demonstrate tasks related to the role of a Conductor. Observe Trainee performance and provide positive and improvement feedback both verbally and in written form.

SELECTION CRITERIA:

- Viewed by union and management as an individual with excellent safety practices (cardinal rule and safety rule violations)
- Minimum 1 year experience as a running trade employee
- Need to demonstrate superior rules knowledge (CROR and Safety).
- Well respected by peers (running trades employees)
- Demonstrates attention to detail (follows procedures, accuracy in documentation, concentrate on routine work, etc.)
- Demonstrated ability to manage individuals effectively in a professional and courteous manner
- Demonstrated ability to communicate (written and verbal) effectively with running trades employees
- Demonstrated ability to influence and persuade (convince Trainee in both positive and negative circumstances)
- Demonstrated ability to develop effective relationships (develop rapport and recognize individuals concerns and feelings)
- Previous coaching experience is an asset

Letter #10 – Coaching Program – Conductors/Yardforemen/Yard Service Employees

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This pertains to our discussions during the current round of collective bargaining regarding the establishment of a Coaching program for Trainmen involved in training under the Trainman/New Hire Training Article.

This is to confirm the Company's commitment to provide a 2 to 3 day coaching program to Yardforemen/Conductors/YardService Employees who will be responsible for training new hires during their Qualification period.

In making this commitment the Company indicated that such programs would be provided prior to hiring a new class at a given location and that a sufficient number of coaches would be trained per terminal depending upon the number of trainees that are scheduled to train at that location, the nature of training required at the terminal, and the specific training program at that terminal. An assessment of the number of coaches available will be done at the beginning of each new class.

Yours truly,

M.G. DeGirolamo
Assistant Vice-President

Letter #11 – Advanced Locomotive Engineer Training

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This pertains to our discussions during the current round of collective bargaining regarding your desire to have input in the development of an advanced Locomotive Engineer Training Program for employees already qualified as Locomotive Engineers.

This is to confirm the Company's commitment to provide an opportunity for input in the development of this program. Upon ratification of this agreement, the Training Department will contact the offices of the Locomotive Engineer Committees to make arrangements for gathering input.

Yours truly,

M.G. DeGirolamo
Assistant Vice-President

Letter #12 – Collective Agreement Consolidation

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regard to our discussions concerning the eventual combining of the four Collective Agreements, as administered by the four General Committees of Adjustment of the Teamsters Canada Rail Conference at Canadian Pacific Railway.

A core committee will be formed that will be charged with the initial organizing of the four Collective Agreements into one working document. The structure of the core committee will be one representative from each of the four General Committees, as selected by the General Chairmen, and two from the Company. This working document will reflect the entire contents of all the Collective Agreements, which include the Archive Documents, and all letters of understanding and/or any other documents(s) that apply.

The working document will be organized to reflect and identify all the Clauses, letters, or any other portion of the existing documents that are:

- Entirely the same in language and application.
- Portions of Articles, Clauses or letters, which are the same in language and applications
- Portions of Articles, Clauses or letters that are very similar in language and application.
- Articles, Clauses or letters, which are distinct by craft, region, or some other factor, which may be found to apply.

The core committee will meet to prepare and formulate the working document and propose a work plan which will then be presented to the General Chairmen and Director of Labour Relations. The General Chairmen and Director of Labour Relations will review the working document and work plan and jointly decide on the structure of a working committee based upon the work plan. Under the direction from the core committee and based on the work plan, the working committee will completely review those articles that are the same and jointly formulate recommendations on how Articles or Clauses that are so similar in structure and application that they may be merged into one common Article or Clause. They will also confirm those Articles or Clauses which are not similar in content or application, but without recommendations. When

completed, the working document will be presented to each General Chairman and the Director of Labour Relations.

The core committee will be formed and begin their meetings no later than January 15, 2006. The working committee will be formed and begin their meetings within 90 days of the meeting between the General Chairmen and the Director of Industrial Relations, unless otherwise agreed.

The printing and distribution of all four updated Collective Agreements will be completed prior to this process beginning.

Payment of all wages and expenses of each committee member shall be the responsibility of the Company.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #13 – Runaround

November 13, 2004

Mr. D. Able
General Chairman- Engineers West
Teamsters Canada Rail Conference
Suite 309, 8989 Macleod Tr S
Calgary AB T2H0M2

Mr. D. Finnson
General Chairman- Trainmen West
Teamsters Canada Rail Conference
Suite 309, 8989 Macleod Tr S
Calgary AB T2H0M2

Mr. R. Hewitt
General Chairman- Engineers East
Teamsters Canada Rail Conference
173 Simcoe Street N
Oshawa ON L1G4S8

Mr. D. Genereux
General Chairman- Trainmen East
Teamsters Canada Rail Conference
55 Annonciation
Oka PQ J0N1E0

Dear Sirs:

This is in regards to concerns you raised during bargaining pertaining to runarounds.

To address these issues, it was agreed that locations where concerns regarding runarounds are identified, local representatives and local management will meet in the interest of addressing same.

Should the parties locally fail to come to terms to resolve the issue, the respective General Chairman and General Manager will meet within thirty days to resolve the issue. This timeline may be extended by mutual agreement.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

Mr. D. Able
General Chairman- Engineers West

Mr. D. Finnson
General Chairman- Trainmen West

Mr. R. Hewitt
General Chairman- Engineers East

Mr. D. Genereux
General Chairman- Trainmen East

Letter #14 – GO Transit Commuter Service – Crew Consist

November 13, 2004

Mr. R. Hewitt
General Chairman- Engineers East
Teamsters Canada Rail Conference
173 Simcoe Street N
Oshawa ON L1G4S8

Dear Sir:

This is in regards to our discussions pertaining to the second Locomotive Engineer in GO Transit Commuter Service.

It was agreed that effective Spring change of card 2005, GO Transit Commuter Service would be operated with a single Locomotive Engineer.

To offset the impact of the reduction of the second Locomotive Engineer, on the effective date one separation package as per article 38.03, will be provided for each assignment reduced to Locomotive Engineers in the Toronto terminal, TCRC division 295, who have worked continuously in Toronto since April 1, 2004. Separation opportunities not used will be banked for future use.

Recognizing that two employees are accommodated as second Locomotive Engineers on these assignments, it was further agreed that until another accommodation could be found, these employees will be able to continue to work as a second Locomotive Engineer in GO Service only.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

Mr. R. Hewitt
General Chairman- Engineers East

Letter #15 – Expressway

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to concerns you raised during bargaining pertaining to Expressway.

To address these issues, it was agreed that within 30 days of ratification, the appropriate parties would meet to construct an agreement based on the following principles:

- 1) The current Expressway agreement would be eliminated.
- 2) A run long agreement or other agreed to resolve for Expressway trains will be established between Toronto and Milton. If a run long agreement is established, it will be based on the principles found in other negotiated run long agreements at CPR.
- 3) The outstanding grievances associated with the current Expressway agreement will be resolved.

Should the parties fail to reach an agreement within 60 days of the initial meeting, the outstanding issue(s) would be referred to the CROA arbitrator for mediation and, if required, binding arbitration. These timelines may be extended by mutual agreement.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #16 – TCS

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to concerns you raised during bargaining pertaining to TCS.

To address these issues, it was agreed that during the closed period, the parties would jointly review and, where appropriate pilot alternatives to TCS on a trial basis that address the concerns of all. Such alternatives may include by mutual agreement assigning of trains or other options. This process does not preclude suggestions put forward to the General Chairs and General Manager from the local level.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #17 – Rest

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to concerns you raised during bargaining pertaining to getting crews in and off duty within 10 hours when they have given notice for rest.

To address this issue, it was agreed that at locations where abuse of this provision is identified by the General Chair, the appropriate General Chair, General Manager-Field Operations and the General Manager- NMC, would meet within thirty days to resolve the issues.

It was further agreed that within 12 months of ratification, the Company would establish metrics to measure compliance with the “in and off” provision on a terminal by terminal basis. Such metrics will be available to the General Chairs upon request.

Yours truly,

J.M. Franczak
Assistant Vice President
Transportation

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #18 – Commuter Rail - Montreal

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to concerns you raised during bargaining pertaining to issues associated with Commuter Rail Service (CRS) in Montreal.

As a resolution of your concerns, the following was agreed:

- 1) Should an assigned employee working a split shift exceed 14 hours from the initial report time to the final release time on any given day other than the last day of the assigned work week, the employee will not be required to work the following day, but will receive regular pay.
- 2) The Company reaffirms the current practice under the CRS agreement to add a Trainman to the crew consist whenever there are more than eight coaches without operating safety door devices. Specifically, even though not required by the CRS agreement, the Company will add a Trainmen in the following circumstances: to the 10 coach assignments on the Blainville Service during rush hour, and; to the Dorion assignments whose equipment does not have automatic doors.
- 3) In regards to Annual Vacation, CRS assigned employees may choose between being paid their AV on a percentage basis or based on their regular weekly rate of pay.
- 4) Within 30 days of ratification of the agreement, the parties will meet to discuss resolution of the issue regarding to CRS crews having 4 hours off duty in-between shifts as per the terms of the CRS agreement. Such discussion may include the construction of a suitable bunkhouse facility, rescheduling of the assignment or other solutions. Should the parties fail to reach an appropriate resolution of this issue, the matter of the proper application of the 4 hour lay-over period will be forwarded to the CROA arbitrator for mediation/arbitration.

5) As part of the process above, the outstanding grievances associated with the current agreement will be resolved.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #19 – Banking of Certain Payments

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to your request during bargaining pertaining to providing employees with the ability to bank certain payments as outlined below.

- Employees earning mileage or monetary payments that are not charged against their monthly miles, such as C-Only claims, penalty claims, general holiday payments, etc. will have the option of having these payments placed and held in a bank until such time they are withdrawn.

- Employees will be required to advise the Company of their intention to bank such payments prior to the completion of the pay roll cut off date that the payment has been earned in.

- To have these payments withdrawn from the bank employees will advise the Company prior to the end of the pay roll cut off day of the pay period they wish to have the money paid into.

To address this issue, it was agreed that the parties would review the possibility of establishing such an ability during the closed period.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Letter #20 – Cab Committee

November 13, 2004

Mr. T.G. Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference
150 Rue Metcalfe Street, Suite 1401
Ottawa, ON K2P 1P1

Dear Sir:

This is in regards to your concerns during bargaining pertaining to a Cab Committee.

To address this issue, it was confirmed that there presently exists a Locomotive Cab Committee and that it is the intention of both the Union and the Company to continue with this Cab Committee with meetings to be arranged as required, with a minimum of once per year unless otherwise mutually agreed.

Yours truly,

M.G. DeGirolamo
Assistant Vice President
Industrial Relations

I Concur:

TG Hucker
Vice President & National Legislative Representative
Teamsters Canada Rail Conference

Appendix A – Rate Tables

The tables reflecting all of the various rates is not reproduced here due to the number of pages.
The entire rate table document has been distributed to all Local Chairs and is available for review.

Appendix B – Annual Vacation Matrix

Annual Vacation								
6 weeks	Factor	8.5			5 weeks	Factor	10.5	
Days Avail	Days AV	Weeks AV	Days unavailable		Days Avail	Days AV	Weeks AV	Days unavailable
0	0	0	365		0	0	0	365
1	0.117647	1	364		1	0.095238	1	364
60	7.058824	2	305		74	7.047619	2	291
120	14.11765	3	245		148	14.09524	3	217
179	21.05882	4	186		221	21.04762	4	144
239	28.11765	5	126		295	28.09524	5	70
298	35.05882	6	67					
4 weeks	Factor	13			3 weeks	Factor	17	
Days Avail	Days AV	Weeks AV	Days unavailable		Days Avail	Days AV	Weeks AV	Days unavailable
0	0	0	365		0	0	0	365
1	0.076923	1	364		1	0.058824	1	364
92	7.076923	2	273		120	7.058824	2	245
183	14.07692	3	182		239	14.05882	3	126
274	21.07692	4	91					
2 weeks	Factor	26						
Days Avail	Days AV	Weeks AV	Days unavailable					
0	0	0	365					
1	0.038462	1	364					
183	7.038462	2	182					

Appendix C – Locomotive Engineer Seniority

21.01

- (1) Employees will establish a seniority date on the applicable Locomotive Engineer Seniority District List, based upon the closing date of the bulletin under which they were selected for Locomotive Engineer training, in the same order as they appear on the applicable Trainmen's Seniority List. The current provisions of this article apply to seniority districts unless otherwise stipulated. A Locomotive Engineer's Regional and National seniority lists will be established in accordance with clause 21.01(5) in the collective agreement.

Note: Current Union Security clauses of the respective collective agreements are applicable to district, regional and national seniority lists.

- (2) A final Locomotive Engineer training bulletin was issued for employees who were hired on or prior to June 4, 1992. Successful applicants to this bulletin established a seniority date on the applicable Locomotive Engineer Seniority District List, based upon the closing date of the bulletin under which they were selected for Locomotive Engineer training, in the same order as they appear on the applicable Trainmen's Seniority List
- (3) All employees hired between June 5, 1992 and July 14, 1995, whose names did not already appear on the list, will be placed on the applicable Locomotive Engineer Seniority District List, in the same order as they appear on the applicable Trainmen's Seniority List
- (4) Employees placed on a Locomotive Engineer Seniority District List, shall have prior rights to all Locomotive Engineers work on their seniority district and shall be trained in seniority order. Prior rights shall be recognized for all seniority districts; British Columbia, Alberta, Saskatchewan, Manitoba/Lakehead, Algoma, Southern Ontario and Quebec, with a date of July 12, 1995.
- (5)
 - (i) Employees who have a district date on or prior to July 13, 1995, as a Locomotive Engineer will be placed on the regional list according to their district seniority date. If dates are the same then they will be placed according to the applicable Trainmen's Seniority List
 - (ii) Employees who have a district date on or prior to July 14, 1995, as a Locomotive Engineer will be placed on the national list according to their district seniority date. If dates are the same then they will be placed according to the applicable Trainmen's Seniority List
 - (iii) Employees who hire on subsequent to July 14 1995 will be placed on the national list according the applicable Trainmen's Seniority List. In the event more than one employee has the same seniority date, seniority standing to be based upon the regional Trainman list.

- (6) An Locomotive Engineer from outside a Locomotive Engineer Seniority District shall not be allowed to work an Locomotive Engineer's job if there are Locomotive Engineers on the Seniority District List who could be trained, except in emergency. In these cases the Company must immediately start training unqualified Locomotive Engineers from that Locomotive Engineer Seniority District to fill the vacant positions.
- (7) Employees failing to be selected, or failing to pass training on the first attempt will hold their seniority should subsequent training be offered.
- 21.02 Unless otherwise provided for, by Eastern District Rules and as provided for in Article 30 TCRC Locomotive Engineer's West, employees may move within districts at General Advertisement of Assignments, Pool to Pool or when displaced from holding a locomotive engineer's position. Locomotive Engineers may not reduce themselves
- In the event that a Locomotive Engineer is displaced and no longer able to hold a Locomotive Engineer's position in that terminal, they may exercise their seniority under their respective seniority lists and provisions.
- 21.03 Unless otherwise provided for by District Rules, should there be no available Locomotive Engineers, the senior qualified Locomotive Engineer not set up as such, shall be used. A Locomotive Engineer having to move under this rule will be permitted to return to their home terminal when they stand for work on the Locomotive Engineer's list at that terminal. Locomotive Engineers cannot be forced off their district.
- 21.04 Unless otherwise provided for, no payment will be made for deadheading under the application of this article.
- 21.05 District, Regional and National, seniority lists of Locomotive Engineers in promotion order will be kept posted in each booking-in office, reissued in January of each year and a copy will be furnished to the Local Chairman and General Chairman. No protest against a Locomotive Engineer's standing thereon shall be heard unless it is entered within 60 days after the first appearance of their name on the list.
- 21.06 Locomotive Engineer taken over with another road will hold their seniority rights with employees on the division to which that road has been added, from the date of entry into service with such other road.
- 21.07 Locomotive Engineer employed by a contractor will have no seniority standing. Locomotive Engineer assigned by the Company to contractor's service will retain their seniority.

21.08 Accommodation and Meal Allowance for Locomotive Engineers Forced from One Main Home Terminal to Another on Their Seniority District.

- (1) A Locomotive Engineer forced to move from one main home terminal to another main home terminal on his seniority district on a temporary basis pursuant to the provisions of this Article and who does not move his residence to or maintain his residence at the terminal to which he is forced shall be entitled to a living allowance of \$20 per day when accommodation in a rest-house is supplied by the Company. If such accommodation is not supplied by the Company the allowance shall be \$30 per day. Should a Locomotive Engineer so forced not return to his home terminal when he stands for work as an Locomotive Engineer at that terminal, when he is no longer the senior demoted Locomotive Engineer, or when he is released at the terminal to which forced as a result of a reduction in the Locomotive Engineers' working list at that terminal pursuant to the provisions of Paragraph 4 of the Letter of Understanding dated September 1, 1972, he shall be deemed to have transferred voluntarily and his entitlement to the living allowance cited above shall cease forthwith.
- (2) Locomotive Engineers forced to move from one main home terminal to another main home terminal on his seniority district on a temporary basis pursuant to the provisions of this Article shall be paid for deadheading between such terminals under the provisions of Article 5.02. Should an Locomotive Engineer so forced return to his home terminal when he stands for work as an Locomotive Engineer at that terminal or when he is no longer the senior demoted Locomotive Engineer he shall not be paid for deadheading back to his home terminal nor shall the senior demoted Locomotive Engineer forced to that terminal to replace such Locomotive Engineer be paid for deadheading to that terminal.

21.09 For the purposes of this Collective Agreement, the main home terminals for Locomotive Engineers are:

Montreal	Smiths Falls
Toronto	Hamilton
London	Mactier
Sudbury	Chapleau
Schreiber	
Thunder Bay	Calgary
Kenora	Red Deer
Winnipeg	South Edmonton
Brandon	Lethbridge
Minnedosa	Cranbrook
Wynyard	Nelson
Sutherland	Revelstoke
Wilkie	Kamloops
Moose Jaw	Coquitlam
Medicine Hat	Roberts Bank

21.10 Voluntary Relocation without benefits

- (1) Employees may move between districts at General Advertisement of Assignments, Pool to Pool or when displaced from holding a Locomotive Engineer's position (Locomotive Engineers may not reduce themselves.)
- (2) The Company may refuse a transfer if it results in a known shortage of employees, based upon information at the time, at the location the Locomotive Engineer is bidding from or if the location being bid to will result in an immediate lay off of employee(s).
- (3) Employees bidding outside of their district must also receive permission from the applicable Locomotive Engineer General Chairmen prior to relocating. This clause will expire on January 01, 2010.

21.11 Voluntary Relocation with benefits

Voluntary relocation with benefits may be initiated by the Company from locations of surplus as identified by the Company.

- (1) Long term.

Where initiated, a lump sum of \$8,000.00 will be provided to employees who move to a location of shortage. Selection will be made on a seniority basis. Should such employees choose to relocate from that location within 2 years, they will be required to reimburse the Company on a prorated basis. Repayment will not apply in cases of lay off.

- (2) Temporary.

- (1) Where initiated, employees will be chosen on a seniority basis at the bulletined location(s).
- (2) Employee covered under this clause will be provided transportation to and from work location and suitable accommodation or a monetary amount of \$500.00 per week in lieu of the benefits in this clause.
- (3) A reasonable travel period will be allowed to relocate as part of the initial work cycle.
- (4) Employee covered under this clause will exercise their seniority and be familiarized under the terms of the collective agreement.
- (5) An employee selected under this clause will be committed to a period of 42 days after which the employee may elect to return home or, if required and the employee elects, will continue for further 35 day period(s).
- (6) If a subsequent work cycle is agreed to, the employee will be allowed up to 7 consecutive days OLA for the first work period and up to 5 consecutive days OLA for each subsequent work period(s) to attend to personal business with the transportation provided by the company to and from the home location.

The period of leave will be scheduled between work cycles or later upon mutual agreement. Unless otherwise agreed, the leave will not form part of the work cycle.

- (7) An employee covered under this clause may be released from the commitment period if no longer required. This change must coincide with the scheduled weekly crew change.
- (3) In the event a Locomotive Engineer relocates with benefits who has less seniority than the junior qualified Locomotive Engineer at the location the employee is relocating to, if not already in progress, the Company will initiate Locomotive Engineer Training at that location to commence within three months.

21.12 Union Security

- (1) Employees holding permanent, company supervisory positions before July 4, 1995, who also hold seniority rights in any craft represented by the Union, will continue to accumulate bargaining unit(s) seniority to July 4, 1996, after which time their seniority will no longer accrue.
- (2) Any employee appointed to a permanent company supervisory position on or subsequent to July 14, 1995, who also holds seniority rights in any craft represented by the Union, will continue to accumulate bargaining unit(s) seniority for a period of one year following the date of their appointment, after which time their seniority will no longer accrue.
- (3) Any employee appointed to a company supervisory position on a temporary basis, who also holds seniority rights in any craft represented by the Union, shall continue to accumulate bargaining unit seniority in accordance with current practices.
- (4) For the purposes of this Article, the following positions are deemed not to be supervisory positions:

Positions of Referral Agent with the Employee and Family Assistance Program.

Division Trainers.

Any other such position that may be mutually agreed upon, from time to time, by the parties to this collective agreement.

- (5) For the purposes of this Article, a company supervisory position on a temporary basis is defined as a company supervisory position, the holder of which is not entitled to the benefits under Canadian Pacific Railway's "Management, Supervisor, Professional, Specialist" program or such other program that may be employed by the Company in the future. The Company will, at the time appointments are made to company supervisory positions from the ranks of any

person holding seniority rights in any craft represented by the Union, notify the Union, in writing, if such appointment is temporary or permanent.

- (6) After an individual appointed to a company supervisory position under the provisions of 1) or 2) above is no longer accruing seniority pursuant to the provisions of this Article, their name will be removed from the next published seniority list(s), and placed in a separate column on such list and shown as "Seniority Frozen on" followed by the date on which the individuals seniority has been frozen.
- (7) An individual whose seniority has been thus frozen pursuant to this Article, who chooses to return to their former position in the bargaining unit, will, on the day they return to the bargaining unit, have their name placed back on the seniority list(s) in the position, relative to the amount of seniority they accumulated up to the point of having their seniority frozen. They will be notified, in writing, of what their new seniority number is and where they stand on the seniority list(s) relative to other individuals on such list(s), the date of their return to the bargaining unit as well as the date of their entry into service and the date their seniority was frozen, copies of which will be provided to the Union and posted in bulletin books over the entire seniority district(s). They will immediately begin to accrue seniority from the date of their return to the bargaining unit and continue to do so in accordance with existing seniority rules.

Appendix D - Western Regional Seniority

Western Regional Agreement

41.13 Trainmen's Western Seniority Region will cover all employees governed under this agreement.

41.14 This clause does not alter any existing or prior Agreements respecting Prior Rights, Preferred Rights, Interchangeable Rights, nor does it modify, add to, or take away from any other clause or Agreement unless specifically indicated within this Agreement.

41.15 Employees with a seniority date prior to May 14, 1971 who retain prior rights in Road Service will be referred to as having Road Prior Rights, and those employees who so retain prior rights in Yard Service will be referred to as having Yard Prior Rights. These employees will retain all rights as provided for in Article 41, on the seniority Districts as defined in Article 43.07.

41.16 Employees with a seniority date on or prior to July 12, 1995 will be referred to as having District Prior Rights. These employees will retain prior seniority rights on one of the Seniority Districts as listed in Article 41.02.

41.17 Employees with a seniority date on or prior to July 13, 1995 will be referred to as having Regional Prior Rights. These employees retain prior seniority rights on the Western Seniority Region according to their seniority date as established in line with the provisions of Article 43.01 and 36.05.

41.18 The Western Seniority Region seniority list shall be compiled with all existing bargaining unit employees presently and properly listed within each District being placed on the Regional Seniority list on a dovetailed basis in accordance with their seniority date as established according to their last date of entry into service as a Trainperson/Yardperson, and in line with the provisions of the Collective Agreement.

41.19 In the event that more than one employee from differing Districts has the same seniority date, their Regional seniority standing will be determined in the following order;

- Last date of entry into Company service.
- The local time at which they started working in the bargaining unit; if the same
- Date on which application for employment was made; if the same
- By the drawing of names as arranged between the General Manager and General Chairman.

41.20 Voluntary Relocation without benefits

(1) Employees may exercise seniority between districts subject to current agreement provisions:

- at General Advertisement of Assignments,
- if a permanent vacancy occurs, or a new job is established or,
- immediately upon layoff.

2) The Company may refuse a transfer requested at either the General Advertisement of Assignments, to a permanent vacancy, or to a new job established, if it results in a known shortage of employees, based upon information at the time, at the location the employee is bidding from.

Note: This is meant to apply to groups of employees moving. It would be unusual that movement of a single employee would result in a known shortage.

3) Trainmen may exercise their seniority to another Terminal within their region by submitting written notification to the company of their desire to exercise their seniority to the next available permanent vacancy or new position created at that terminal, to which their seniority entitles them to hold.

41.21 Locomotive Engineer Qualification

(1) Trainmen who voluntarily relocate must accept work as a Locomotive Engineer at new location subject to the proviso below.

(2) In the event the Trainmen who relocates has less seniority as an Engineer than the junior qualified Locomotive Engineer at the location the employee is relocating to, in order for that employee to be regularly assigned as a Locomotive Engineer, if training is not already in progress, the Company must initiate Locomotive Engineer Training at that location, and such training must commence within three months.

41.22 Voluntary Relocation with benefits (within the Region)

Voluntary relocation with benefits may be initiated by the Company from locations of surplus to location of shortage as identified by the Company on the following basis:

(1) **Long term** - Where initiated, a lump sum of \$8,000.00 will be provided to employees who move to a location of shortage. Selection will be made on a seniority basis. Should such employees choose to relocate from that location within 2 years, they will be required to reimburse the Company on a prorated basis. Such reimbursement will not apply in cases of lay off if an employee returns to the shortage location upon recall or if the lay off period is greater than 2 months at the location of shortage.

(2) **Temporary** - Laid off employees may voluntarily work at another terminal within the Western Region during shortage periods, when there is insufficient manpower on a particular District. Terms and conditions associated with this provision are as follows:

a) Laid off employees may place their name at any time onto a Regional List for work off of the district. Their names will be placed in seniority order by work location.

b) Where a shortage is identified, the Company may call employees on the Regional List at locations where employees are laid off within identifiable zones. Such zones will be

determined based on proximity to the area of shortage (i.e. closest terminal outside the district.)

c) Transportation will be provided to and from shortage work location and suitable accommodation at the shortage location. In lieu of the accommodation, a \$500 monetary amount per week may be agreed upon.

d) Employee will exercise seniority at the shortage location and will be familiarized accordingly.

e) A Reasonable travel period to relocate will form part of initial work cycle.

f) An employee shall work an initial work cycle of 42 days after which the employee may elect to return home or, if required and desires continue to work at the shortage location, the employee shall work at the location for additional 35 day period(s).

g) If a subsequent work cycle is agreed to, employee will be allowed up to seven (7) consecutive days OLA for first work cycle and up to five (5) consecutive days OLA for each subsequent 35 day work cycle to attend to personal business with transportation provided to and from the home location. This period of unpaid leave is to be scheduled between work cycles or later upon mutual agreement. Unless otherwise agreed, this leave does not form part of work cycle. This period of unpaid leave will not eliminate the employees guarantee, if applicable, but rather, the guarantee will be prorated.

h) An employee may be released earlier if no longer required. Such release must coincide with the weekly change and the notice of layoff as per collective agreement applies.

i) When employees off district are no longer required, they will be returned/laid off in reverse seniority order regardless of the craft they are working in the unlikely event the employee is set up as an Engineer. (Note: This is not considered a displacement under Locomotive Engineer's agreement).

Appendix E - Eastern Master Regional Agreement

01 Effective Date

Effective September 23, 1996 the date of signing, it is agreed that a new trainman/yardman Master Seniority District, to be known as the Eastern Master Seniority District will be created by amalgamating the seniority Districts 1,2,3 and 4 as provided in Appendix A-4.

02 Definitions

- (1) PRIOR RIGHTS EMPLOYEES are defined as those Conductors, Baggage men, Brakemen, Car Retarder Operators, Yardmen, Switchtenders and Yard Service employees with a Seniority date prior to August 1, 1993 on their Prior Rights District as defined in Clause 1.0.
- (2) DISTRICT RIGHTS EMPLOYEES are defined as those Conductors, Baggage men, Brakemen, Car Retarder Operators, Yardmen, Switchtenders and Yard Service employees with a Seniority date that is on or before the signing date of this Agreement on their district as defined in Appendix A-4.
- (3) EASTERN RIGHTS EMPLOYEES are defined as those Conductors, Baggage men, Brakemen, Car Retarder Operators, Yardmen, Switchtenders and Yard Service employees with a Seniority date established after the date of signing of this agreement.
- (4) PERMANENT VACANCY - At the General Advertisement of Assignments all assignments, and positions in unassigned service shall be considered permanent vacancies. Between General Advertisement of Assignments permanent vacancies occur as a result of employees in assigned and unassigned service leaving active service, or being appointed to official positions with either the Company or the Union.
- (5) TEMPORARY VACANCY - are vacancies in assigned and unassigned service, other than vacancies defined in Item 4, that are known to be of more than 6 days.

03 Placement of Employees and Seniority Rights

- (1) A new master seniority list shall be compiled for the Eastern Seniority District. Roadmen and yardmen shall be placed on the new Eastern Master Seniority List on a dovetailed basis in accordance with their seniority date.

- (2) The seniority date to be used shall be an employee's last date of entry into Trainperson/Yardperson service with Canadian Pacific Limited, except as otherwise provided herein.
- (3) In the event of more than one employee having the same seniority date their seniority standing will be determined in the following order, where records are available;
 - (a) Last date of entry into Company Service; if the same,
 - (b) The local time at which they started work in the bargaining unit; if the same;
 - (c) Date on which application for employment was made; if the same,
 - (d) By a drawing of names as arranged by the appropriate Company and Union Officers.

Note: For purposes of this Agreement, former District 1 CAR employees who have relocated to Districts 2, 3 or 4 will retain their August 1, 1993 seniority date within the bargaining unit on other than District 1 as specified in Appendix A-4. Their former District 1 seniority date will be used to establish their order as an Employee on the new Eastern Master Seniority List. Employees of the former Canadian Southern Railway (CASO), Toronto, Hamilton & Buffalo Railway (TH&B), Napierville Junction Railway (NJ), or such other railroads which were integrated into one of the Master Seniority Districts listed in Appendix A-4 will retain their original seniority date within their prior rights territory, their CPRS seniority date for purposes of exercise of seniority on their prior rights district and the August 1, 1993 seniority date for purposes of exercise of seniority on the Eastern Seniority District. However, for purposes of placement on the Eastern District Master Seniority List their date of hire into employment on the CASO, TH&B, NJ or such other railroad shall be used.

- (4) Prior Rights employees, when placed on the Eastern Master Seniority List will be identified as having:
 - (a) Prior Rights with respect to the territories governed by their prior seniority district as defined in Clause 1.0, (a), (b), (c) and (d) of this Appendix A-4; and
 - (b) Homestead Rights on territories as established, prior to this agreement, in the Collective Agreement or under other agreements between the parties.

- (c) Employees with a seniority date, in the bargaining unit, prior to August 1, 1993, will have two seniority dates. The first is the entered service date, defined by Clause 02(1), which provides them with prior rights on one of the prior rights districts specified in Appendix A-4 and will allow them to claim work on their prior rights district. The second date, defined by Clause 02(2), which will allow them to claim work on other than their prior rights district.
- (d) Prior Rights Employee(s) relocating, within the Eastern Master Seniority District, to districts outside of their prior rights district will retain and continue to accrue Prior Rights seniority on their prior rights territory.
- (e) A Prior Rights Employee who exercises seniority onto a district other than his prior rights district will not be granted additional prior or homestead rights on such other district.
- (f) A Prior Rights employee who exercises seniority onto a district other than his Prior Rights District does not carry any "protected" status, as per Article 9, 9A or the reduced Yard Crew Agreement, with them to the new location. That employee shall be deemed to have a seniority date of August 1, 1993 on such other district.
- (g) A Prior Rights Employee who exercises seniority onto a district other than his Prior Rights District will retain prior service for vacation, pension, and health benefit entitlements.
- (h) Employees with a seniority date on or subsequent to August 1, 1993, and prior to the signing date of this agreement will be placed on the Eastern Master Seniority List in the order of their date of entry into service within the bargaining unit (seniority date) as set out in clause 3 of this agreement.
- (i) Employees commencing service in the bargaining unit, on the Eastern District, following the date of signing of this Agreement will be placed at the bottom of the Eastern Master Seniority List in the order of their date of entry into service within the bargaining unit (seniority date), as set out in Clause 3 of this Agreement, and will hold no prior rights on any Eastern District Seniority List.

04 Promotion

- (a) Trainmen who voluntary relocate must accept work as a Locomotive Engineer at new location subject to the proviso below.

(b) In the event the Trainmen who relocates has less seniority as an Engineer than the junior qualified Locomotive Engineer at the location the employee is relocating to, in order for that employee to be regularly assigned as a Locomotive Engineer, if training is not already in progress, the Company must initiate Locomotive Engineer Training at that location, and such training must commence within three months.

05 Voluntary Relocation Outside District Without Benefits

i) Employees may exercise seniority between districts subject to current agreement provisions:

- at General Advertisement of Assignments,
- if a permanent vacancy occurs, or a new job is established or,
- immediately upon layoff.

ii) The Company may refuse a transfer requested at either the General Advertisement of Assignments, to a permanent vacancy, or to a new job established, if it results in a known shortage of employees, based upon information at the time, at the location the employee is bidding from.

Note: This is meant to apply to groups of employees moving. It would be unusual that movement of a single employee would result in a known shortage.

iii) Trainmen may exercise their seniority to another Terminal within their region by submitting written notification to the company of their desire to exercise their seniority to the next available permanent vacancy or new position created at that terminal, to which their seniority entitles them to hold.

06 Voluntary Relocation with Benefits

Voluntary relocation with benefits may be initiated by the Company from locations of surplus to location of shortage as identified by the Company on the following basis:

(1) Long term - Where initiated, a lump sum of \$8,000.00 will be provided to employees who move to a location of shortage. Selection will be made on a seniority basis. Should such employees choose to relocate from that location within 2 years, they will be required to reimburse the Company on a prorated basis. Such reimbursement will not apply in cases of lay off if an employee returns to the shortage location upon recall or if the lay off period is greater than 2 months at the location of shortage.

(2) Temporary – Laid off employees may voluntarily work at another terminal within the Eastern Region during shortage periods, when there is insufficient manpower on a particular District. Terms and conditions associated with this provision are as follows:

a) Laid off employees may place their name at any time onto a Regional List for work off of the district. Their names will be placed in seniority order by work location.

b) Where a shortage is identified, the Company may call employees on the Regional List at locations where employees are laid off within identifiable zones. Such zones will be determined based on proximity to the area of shortage (i.e. closest terminal outside the district.)

c) Transportation will be provided to and from shortage work location and suitable accommodation at the shortage location. In lieu of the accommodation, a \$500 monetary amount per week may be agreed upon.

d) Employee will exercise seniority at the shortage location and will be familiarized accordingly.

e) A Reasonable travel period to relocate will form part of initial work cycle.

f) An employee shall work an initial work cycle of 42 days after which the employee may elect to return home or, if required and desires continue to work at the shortage location, the employee shall work at the location for additional 35 day period(s).

g) If a subsequent work cycle is agreed to, employee will be allowed up to seven(7) consecutive days OLA for first work cycle and up to five(5) consecutive days OLA for each subsequent 35 day work cycle to attend to personal business with transportation provided to and from the home location. This period of unpaid leave is to be scheduled between work cycles or later upon mutual agreement. Unless otherwise agreed, this leave does not form part of work cycle. This period of unpaid leave will not eliminate the employees guarantee, if applicable, but rather, the guarantee will be prorated.

h) An employee may be released earlier if no longer required. Such release must coincide with the weekly change and the notice of layoff as per collective agreement applies.

i) When employees off district are no longer required, they will be returned/laid off in reverse seniority order regardless of the craft they are working in the unlikely event the employee is set up as an Engineer. (Note: This is not considered a displacement under Locomotive Engineer's agreement).

07 Coverage

(1) All existing local Rules and Practices not in conflict with the provisions or intent of this Agreement will remain in effect.

(2) Preference or homestead rights established under previous agreements between the parties will not be affected by this article.

Appendix F – Trainmen Training Article

Conductor/Yardforemen/Yard Service Employee New Hire Training & Experienced Trainmen

- xx.01** To qualify as a Trainman, a new employee must be experienced and competent. One Trainmen on all trains must be experienced and competent and one Trainmen on all trains must be acquainted with the road.
- xx.02** For the purpose of this Article, a Trainman shall be deemed to be experienced and competent when they have met one of the following requirements:
- (1) Has completed a comprehensive CPR approved training program as a Conductor/Yardforemen and Yard Service Employee (where applicable) and has been qualified by the appropriate Company Officer ; or
 - (2) A Trainman/Yardman who has worked at another Railway as a qualified running trades employee within the past three years, has successfully completed and passed all training as deemed necessary by the Company, has exhibited proper working practices and has been qualified by an appropriate Company Officer.
- xx.03** Instruction and on-the-job training (OJT) will be performance based and will not be tied to any obligatory number of working tours of duty prior to being declared qualified.
- xx.04** New Hires required to undergo training by the Company as outlined above shall be compensated as per the conditions outlined in Article 1 provided they are available and follow the instruction schedule established for them.
- xx.05** In the application of Clause 43.01-second paragraph(Trainmen West)/Article 37-clause (d) (Trainmen East), the first day in the training program will be regarded as the first pay trip and the rank of each employee in such training program shall be based on the date and time each applied for the position of Trainman/Yardman.
- xx.06** In the event an employee is directed to train at other than their home terminal, the following will apply:
- (1) The Company will arrange and provide appropriate transportation. Employee's authorized to use their personal automobile and who elect to do so will be paid the mileage allowance provided in the Collective Agreement in accordance with the conditions attached thereto.
 - (2) Unless otherwise agreed, the Company will provide accommodation which may be in hotels, motels or Company facilities. Such accommodation will be in clean, single occupancy rooms and, to the extent it is practicable to do so, will included cooking facilities.
 - (3) Employees for whom accommodation is provided will be paid an allowance of \$15.00 per day on each day of the training program for meals when the accommodation provided has cooking facilities and \$25.00 per day where cooking facilities are not available.

xx.07 The comprehensive training program referenced above, in addition to any instruction deemed necessary by the Company, will consist of a period of Qualification and a period of Familiarization under the conditions outlined below.

1) Qualification - The period of Qualification will be comprised of instruction and On-the-Job training (OJT) with the purpose of providing the new employee with the basic skills required to be a Conductor/Yardforeman and Yard Service Employee, where appropriate. During this period, the objective is to assign trainees to specific coaches and minimize the number of coaches for the trainee. Time spent training during this period in the Yard and on the Road to be based upon type of work at the terminal. Once deemed qualified in the basic skills, the trainee enters into the Familiarization period of the program, where required.

2) Familiarization - The objective of this part of the training program is to familiarize the trainee on the jobs that the trainee will work when the program is completed. The new trainee is not to be placed on the board until both periods have been completed. The amount and type of familiarization required to be able to perform the functions of a Trainman to be based on the likely jobs that employee will be working upon completion of the program and are to be determined through consultation between the Company and local union officers or their representatives. In the event there is disagreement at the local level, the matter will be advanced to the General Chairman and General Manager for resolution. If resolution cannot be reached at that level the matter will be advanced to the VP Field Operations and the VP/NLR TCRC for resolution prior to implementation.

3) The guidelines referred to above are to be jointly developed by the Company and local union officers or their representatives at each location and reviewed upon the start of each new training program. In the event of a disagreement, concerns may be raised to the General Chair and the Director Labour Relations.

4) Where deemed necessary due to terminal complexity, newly qualified Conductors/Yardforemen may be restricted to Yardhelper/Yard Service Helper for up to six months in consultation with local union officers.

5) Final Qualification will be based on the demonstrated ability to safely and adequately perform the responsibilities of the position in question. In the event of a concern regarding the overall qualification process including the number of trips, such issues may be advanced to the VP of Field Operations, AVP of Industrial Relations and the VP of TCRC.

6) As part of this program, Local Union Representatives and Local Company Managers will address new employees, for up to 4 hours duration, with respect to employees' rights and obligations. The Company will pay Union Representatives for their attendance at these presentations which shall be jointly developed and delivered. Additionally, Union Health and Safety Representatives may also make a presentation to the Trainee Class for up to 4 hours duration. The Company will

pay these representatives to address the class and these sessions will be attended by management representatives.

- xx.08** The training course referred to above may be established from time to time and at such locations as the Company deems necessary.
- xx.09** New Hires are required to pass all examinations during the course of their training. In the event a trainee fails to pass one of the exams, he/she will be given the opportunity of one (1) rewrite during the entire program. In the event a trainee fails to pass a rewrite or fails a second exam, he/she will be removed from the training program and terminated from Company service.
- xx.10** A Conductor will not be required to take out a Trainman who, in their opinion, is incompetent more than one round trip, unless their incompetence is disproved.
- xx.11** Employees withdrawn from active service to attend training for promotion to Locomotive Engineer will be compensated as per the provisions of the Collective Agreement for each day they are withheld for such training and examination. This rate shall include on the job training and classroom instruction.
- xx.12** A Trainman who has completed the comprehensive training course above and has been qualified may be given additional training in the form of an additional number of student shifts or tours of duty. When taking such additional training such Trainman shall be compensated as being held off on company business with the exception that payment for expenses incurred shall not be made. Such payment, when added to compensation earned, shall not be less than the monetary equivalent of the monthly guarantee applicable to the class of service from which they are withheld at the time such additional training commenced.

Appendix G – Expanded Crew Change Location

Questions & Answers

1. What is the purpose of the expanded crew change location agreement?

A. The purpose is to improve operational flexibility, particularly at locations where capacity is an issue. Congestion can be reduced by having an ability to stop short of a traditional change point or running beyond a traditional crew change location. Under the new rule crew changes can be made within 20 track miles of the OMTS/designated points of the current change off locations.

2. From what point at our current change off locations will the 20 track mile limit be based upon?

A. The 20 track mile limit will be measured from the OMTS/designated points at crew change locations. Bulletins will be issued to confirm applicable locations. Vancouver, Calgary, Moose Jaw, Winnipeg, Thunder Bay, Toronto and Montreal have unique operational requirements that necessitate further discussion before expanded crew change location agreements are established.

3. A number of terminals have local expanded crew change location agreements in place at present. Will these agreements automatically be overridden by the provision contained in the Memorandum of Settlement?

A. No, all such agreements currently in place will remain in effect and be subject to their particular terms and conditions.

4. When will I be advised of being required to run long within an expanded crew change location during a particular tour of duty?

A. If crews are required to run long at the beginning of their tour of duty, a best effort will be made to advise them at the time of call, however, the Company cannot guarantee advance notice in all instances. Crews required to run long at the end of their tour of duty will be advised of the requirement when being provided their instructions for yarding the train, prior to arrival at the OMTS at the objective terminal.

5. If I would otherwise qualify for a fixed mileage wage claim, but I run short and tie up my train within 20 track miles of the OMTS/designated point of a terminal that has been designated under this provision, how will I be compensated?

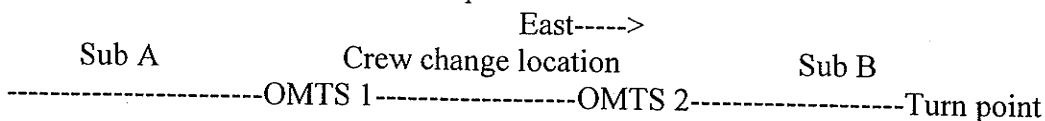
A. If relieved by a crew that normally operates over your territory, or if a crew that normally operates over your territory is already called to retrieve the train, there is no application of the expanded crew change provision. As such, the agreement will have no

impact on pay and you will be subject to a combination service wage claim. The same applies if you are relieved by a roadswitcher that's assigned to the territory in question.

If a crew that normally operates over your territory is not already called or immediately available to retrieve the train, and a roadswitcher is not immediately available to provide relief, you are entitled to claim the fixed mileage for that run.

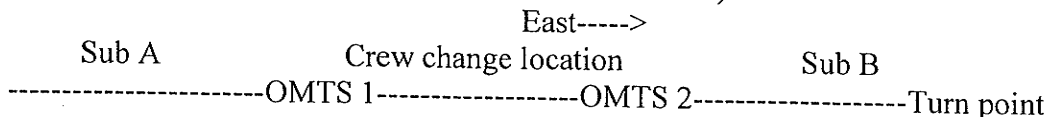
Crews will be advised by the Company prior to tie-up if they are being relieved by a crew or a roadswitcher that normally operates over their territory. If not so advised, crews may claim the fixed mileage where applicable.

6. A crew on a Eastbound train from Subdivision A runs long within an expanded crew change location to the Turn point on subdivision B and returns to the Crew change location. How will the crew be paid?



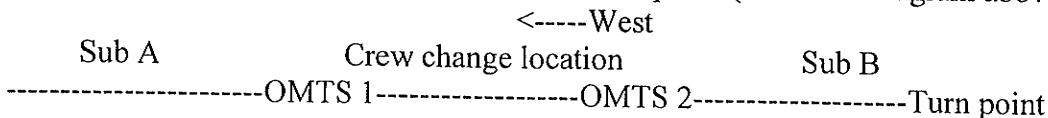
A. In addition to either the fixed mileage or appropriate dual method of pay for subdivision A, the crew will be paid the following: Running miles between OMTS 2 to the turn point. Time at the turn point. If running back with the locomotives, miles from the turn point to OMTS 2, and time until off duty. If required to deadhead from the turning point, time from turn point to off duty.

7. Where will time apply for the purpose of the NR payments if required to run long at the end of a tour of duty? (reference scenario above)



A. If running long and required to operate your engine return to the objective terminal, time will apply at the arrival of OMTS 2 upon return from the Turn point . If running long and taxied (deadhead) back to the objective terminal, time will apply upon arrival at the tie up location at the objective terminal.

8. A crew commences duty at the crew change location, goes to the turn point to pick up a staged train, runs west through the crew change location and continues their tour of duty on Subdivision A. How will the crew be paid? (reference diagram above.)



A. In addition to either the fixed mileage or appropriate dual method of pay for subdivision A, the crew will be paid the following:

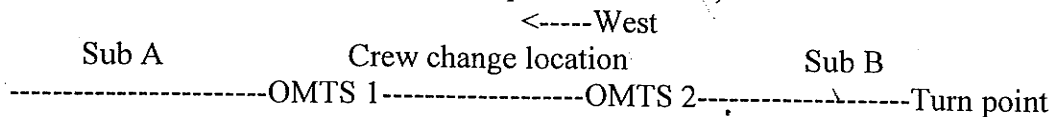
If running to the turn point with locomotives: time from On duty to OMTS 2; Running miles between OMTS 2 to the turn point; time at the turn point; and miles from the turn point to OMTS 2.

If required to deadhead to the turn point: time from on duty time to the turn point; time at the turn point; and run miles from the turn point to OMTS 2.

9. If a crew runs long at the beginning of their trip, how will they claim their initial time for:

- a) making a claim under the dual method of pay for Subdivision A, or
- b) for the purpose of calculating the threshold time for the Fixed mileage on

Subdivision A. (reference scenario in question 8 above)



A. Initial time will be calculated from arrival at OMTS 2 upon returning from the Turn point to departure OMTS 1. The same approach would apply to final time for crews run long at the end of their tour of duty. Final time on a Eastbound would start upon arrival at OMTS 1 and continue until departure of OMTS 2.

10. Will payment for running long form part of or be over and above a minimum day if the balance of the tour of duty doesn't equate to 100 miles?

A. All earnings generated running long will be over and above those included in a minimum day ✓

✓ 11. If a crew is called in straightaway service to deadhead to pick up a train that has been run long and they subsequently run to the away from home terminal, how will they be paid?

A. If a crew takes control of a train that has been run long off another subdivision and they subsequently reach the objective terminal with the train, they will be deemed to have completed the fixed mileage for that subdivision. If the train is staged short of the objective terminal at the end of their tour of duty but within 20 track miles of the OMTS/designated point of a declared crew change point, the provisions of question and answer 5 will govern.

12. I'm required to run long at the beginning of a tour of duty and ultimately fail to reach my objective terminal because of booking rest or attaining maximum hours on duty from a regulatory perspective. If transported to the objective terminal will my pay be adversely effected by having to claim a combination service wage claim rather than a fixed mileage?

A. Crews will not be required to run long unless it is reasonable that they will reach their objective terminal within the tour of duty. With this in mind the Company has agreed to pay the fixed mileage in the following instances:

If a crew does not give their notice for rest, they may claim a fixed mileage.

If a crew gives their notice for rest and reaches within 20 track miles of the OMTS/designated point of the objective terminal, regardless whether or not it is a declared expanded crew change point, they may also claim the fixed mileage. In other cases, the dual method of pay will apply. In all cases, payment for running long will be in addition to payment for the trip.

13. How will I be paid if called in straightaway service at my home terminal and running long at the beginning of a tour duty contributes to being tied up on line, and the Company chooses to return me to my home terminal?

A. In addition to the payment for running long, and a 100 mile payment from the turn point back to the home terminal, the crew would receive either:

- the fixed mileage for the run if the crew did not give notice for rest
- the fixed mileage for the run if the crew did give notice for rest but reached within 20 track miles of the OMTS/designated point of the objective terminal, or, if the above does not apply,
- the dual method of pay.

14. What work will I be required to perform during the "run long" segment of a tour of duty?

A. Normally, you will be required to run long to stage a train or relieve/retrieve a train that has been left short of an objective terminal. The primary objective for crews in run long service is to have them reach their objective terminal. As such, work in the run long segment of a tour of duty will be limited to critical work (i.e. set off disabled equipment, switch a plant stopper) pertaining to the train.

15. Will the expanded crew change provision be implemented at all locations immediately upon ratification of the Memorandum of Settlement?

A. There are some crew change locations that don't warrant implementation right now because of low traffic volumes or unique operating conditions. As such implementation will be declared on a crew change point specific basis. A thirty day notice will be provided. Consultation on issues such as familiarization, access to change off locations, anticipated running times, mandatory clock time requirements, and servicing of locomotives will take place locally with the TCRC prior to implementation.

16. Is it possible to be required to run long in turnaround service?

A. No, crews called in turnaround service will not be required to run through an expanded crew change point.

17. Can a crew be called to run long in TCS?

A. First it is important to note that no changes have been made to the TCS work rule and that a crew in TCS must be called to the away from home terminal. They can not be called to beyond the away from home terminal to facilitate running long. Prior to implementation, feasibility of using a TCS crew to run long will be determined on a local basis.

18. I'm concerned that running long will have an adverse effect on being required to work over 10 hours. How will this be avoided?

A. When the run long provision is put into effect all points to which a crew may be required to run long will be evaluated with the intent of establishing the time frames required to run to each point. This evaluation will include consultation with the TCRC prior to implementation.

19. Will implementation of this provision impact the Sparwood coal train agreement, specifically the crew change points involving Lethbridge and Cranbrook crews at Crowsnest?

A. No.

20. Some employees are concerned that abuse of the Expanded Crew Change Location Agreement may result in widespread use of turnaround service to handle trains that are routinely run off another subdivision rather than using traditional straightaway crews. How will this be protected against?

A. Turnaround crews may be used as described on an ad hoc basis when straightaway crews are not readily available, however, the Company has confirmed that they have no intention of any wholesale changes in operation.

21. Will a crew be required to run backward with light engine when run long?

A. As is the case today, Transport Canada regulations and safety considerations will govern.

22. If I run long at either end of my tour of duty, will I be required to push cars, thereby having to protect the point when running between the terminal and the turn point?

A. No.

23. Will this provision impact current switching restrictions at the Initial and Final terminal, the parameters and conditions for yard or road switcher work, or change the existing crew change locations?

A. No.

24. When a crew is run long at the beginning of their tour of duty, how will the meal provisions of the collective agreement be applied?

A. For the purpose of meals, the crew will have been deemed to have left the initial terminal once they have departed for the Turn Point. Thereafter, the enroute rule will apply.

25. When a crew is run long at the beginning of their tour of duty, can they be cancelled prior to leaving the terminal after having completed the run long portion of the trip?

A. No. Crews can only be cancelled prior to departure from the initial terminal enroute to the Turn Point. For payment rule, refer to Q&A 13.

26. I am called in straightaway service at the away from home terminal to run long at the beginning of my tour of duty. Should I not complete the run to my objective terminal, can I be tied up at the away-from-home terminal?

A. No. As is currently the case, you shall complete your tour of duty to the objective terminal.

27. Will the application of this clause result in the entire elimination of work for a pool by having crews from two adjoining subdivisions run long thereby eliminating the need to call crews on the subdivision in question? (i.e. Between Regina and Moose Jaw)

A. No.

28. When run long at the beginning of a tour of duty, will crews be required to pick up one train at the turn location and then be put on another train at the initial terminal for the remainder of their tour of duty?

A. No.

29. Will information about running long be included when crews are being asked to protect trains under the TCS rule?

A. If planned at the time, crews will be informed.

30. How will the length of run allowance be calculated for running long and running short if the crew is eligible for the fixed mileage?

A. If run long, the length of run allowance will be based on the total run miles for the entire trip. If run short and the crew is eligible for the fixed mileage, the length of run will be based on the run miles in the fixed mileage rate. —

31. Does this provision apply to crew change locations where trains are exchanged between crews under this collective agreement and crews not covered under this agreement?

A. Not unless covered by a special agreement with the TCRC.

32. When crews are run long and are required to deadhead either to or from the Turn point, or when crews run short to a declared terminal, what form of transportation will be used?

A. Generally speaking, either a cab or a crew bus will be used. However, this does not preclude deadheading on a train when circumstances dictate such as poor roads and in other circumstances as agreed upon locally.

33. Understanding that these Q&A's address the broad issues associated with the Expanded Crew Change Location Agreement, issues/disputes may develop when local consultation takes place prior to implementation at various locations on items not addressed in the Memorandum of Settlement. How will these issues/disputes be resolved?

A. If local discussions fail to result in a resolution within thirty days of notification to implement, the issues/disputes will be advanced to a Board of Review comprised of two senior union and two senior Company officers. Failing a resolution in that forum within twenty days of the issues being advanced to the Board of Review, any outstanding issues/disputes will be advanced to Mr. T. Hodges for mediation /arbitration for a decision within forty-five days.

34. How will grievances concerning this provision be resolved?

A. For the first 18 months following ratification, any outstanding grievances regarding this provision will be referred to Mr. T. Hodges for mediation/arbitration under the rules of CROA.