

AGREEMENT 12

between

CANADIAN NATIONAL RAILWAY COMPANY

and

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA
(CAW - CANADA) LOCAL 100**

governing

RATES OF PAY

and

RULES OF SERVICE

**For Shopcraft employees
in Motive Power and Car Departments**

**Effective January 1, 1998
except as otherwise indicated herein**

(Version française disponible sur demande)

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WORKING RULES

This Agreement is between:

CANADIAN NATIONAL RAILWAY COMPANY

and

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL
WORKERS UNION OF CANADA (CAW - CANADA) LOCAL 100

in respect to rates of pay,
work hours and conditions of service,
for Shopcraft employees
in the Motive Power and Car Departments

RULE 1

Hours of Work and Meal Period

1.1 Except as otherwise provided herein eight hours shall constitute a day's work. All employees coming under the provisions of this collective agreement, except as provided for in Rule 9, shall be paid on the hourly basis.

The respective Regional Vice-President and the proper District Company Officer may mutually agree to implement working hours and rest days which may vary from the terms of Rule 1 and Rule 3 of this Agreement.

Work Hours For Main Shops

1.2 Where one shift is employed, except Saturdays and Sundays, the starting time shall be 8:00 a.m., unless otherwise mutually agreed, working eight (8) consecutive hours, with an allowance of a 30-minute paid meal period within the limits of the fifth hour.

1.3 Where two shifts are employed, the starting time of the shift other than the day shift shall be 4:00 p.m. or 12:00 midnight, working eight (8) consecutive hours, five (5) nights per week with an allowance of thirty (30) minutes for lunch within the limits of the fifth hour. Such starting times may be changed by mutual agreement.

1.4 Where three (3) shifts are employed, for those employees working on three-shift basis, the starting time of the first shift shall be as may be mutually agreed and the starting time of each of the other shifts shall be regulated accordingly. Each shift shall consist of eight (8) consecutive hours, including an allowance of thirty (30) minutes for lunch within the limits of the fifth hour.

1.5 At main shops shifts shall be designated within a 24-hour period as follows:

- (i) Midnight shifts shall be recognized as the first shift.
- (ii) Day shifts shall be recognized as the second shift.
- (iii) Afternoon shifts shall be recognized as the third shift.

1.6 The starting time must be uniform for all employees on each shift, except as may be mutually agreed for the protection of the health of other employees.

Work Hours For Running Work

1.7 Where three (3) eight-hour shifts are worked, the hours for commencing duty shall be between 7 a.m. and 8 a.m., 3 p.m. and 4 p.m., and 11 p.m. and midnight.

1.8 At running points, shifts shall be designated within a twenty-four-hour period as follows:

- (i) Midnight shifts shall be recognized as the first shift;
- (ii) Day shifts shall be recognized as the second shift;
- (iii) Afternoon shifts shall be recognized as the third shift.

1.9 Where one or two shifts per twenty-four (24) hours are worked:

Day work - 8 hours between 7 a.m. and 5 p.m.

Night work - 8 hours between 7 p.m. and 7 a.m.

1.10 The starting time for any portion of the staff working on a one or two-shift basis at any point may be arranged to commence within the limits named.

1.11 The starting time for each employee shall be fixed and shall not be changed without at least twenty-four hours' notice.

1.12 Where one, two or three shifts are employed, a meal period of thirty (30) minutes will be allowed without deduction in pay, commencing within the fifth hour of duty on each shift. By agreement between the representatives of the Railway and the recognized representatives of the Employees, it may be arranged to extend the meal period to one (1) hour for the employees on the day shift, the period in addition to thirty (30) minutes to be without pay.

1.13 It is recognized that all employees in the same train yard should work the same number of hours per week.

1.14 When at a particular point the regular arrival or departure times of trains make these hours not appropriate to the requirements of the service a regular assignment of the necessary number of employees may, subject to mutual agreement between the Regional Vice-President and the proper officer of the Railway, be arranged to meet these local conditions.

Spring And Fall Change Of Time

1.15 At the spring change of time, employees working the 0001-0800 shift, or other mutually agreed shift affected by the change of time, will be provided the option of working until the adjusted time of 0800 hours (7 hours actual work), or working until 0900 hours (8 hours actual work).

Employees who elect to work until the adjusted time of 0800 hours, will be compensated for 7 hours actually worked.

Employees who elect to work until the adjusted time of 0900 hours, will be compensated for 8 hours actually worked.

1.16 At the fall change of time, employees working the 0001-0800 shift, or other mutually agreed shift affected by the change of time, will be provided the

option of working until the adjusted time of 0800 hours (9 hours actual work), or working until the adjusted time of 0700 hours (8 hours actual work).

Employees who elect to work until the adjusted time of 0800 hours, will be compensated for 8 hours at straight time rates, and 1 hour at punitive overtime rates.

Employees who elect to work until the adjusted time of 0700 hours will be compensated for 8 hours actually worked.

RULE 2

Overtime

2.1 All overtime continuous with regular bulletined hours will be paid for at the rate of time and one-half until relieved, except as may be provided in rules hereinafter set out.

2.2 Double time (except as provided in Rule 6 for wrecking service) shall apply after an employee has actually performed 16 hours service in any 24-hour period computed from the time the employee actually commenced work. In Emergency Service (Rule 6), and Road Work (Rule 8), straight time rates will again become effective at the starting time of the employee's regular shift.

2.3 Except as may be provided in rules hereinafter set out, work in excess of forty (40) straight time hours or five (5) days in any work week shall be considered overtime and paid at one and one-half times the basic straight time rate, except where such work is performed by an employee due to moving from one assignment to another or to or from a laid-off list, or where rest days are being accumulated under Rule 3.3 (c).

2.4 There shall be no overtime on overtime; neither shall overtime hours paid for, other than hours not in excess of eight paid for on holidays or for changing shifts, be utilized in computing the forty (40) hours per week, nor shall time paid for in the nature of arbitraries or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose, except when such payments apply during assigned working hours in lieu of pay for such hours, or where such time is now included under existing rules in computations leading to overtime.

2.5 The term "work week" for regularly assigned employees shall mean a week beginning on the first day on which the assignment is bulletined to work.

Work on Assigned Rest Days

2.6 Employees required to work on regularly assigned rest days except when these are being accumulated under Rule 3.3 (c) shall be paid at the rate of time and one-half.

2.7 The overtime period for assigned rest days shall be from the conclusion of the

employees' regular work week until the starting time of their regular work week.

2.8 Sunday work shall be required only when absolutely essential to the continuous operation of the Railway.

RULE 3

Assignment of Rest Days

3.1 Except as may be provided in Rules 9, 52.16(a) and 52.16(b) and 52.17(a) to 52.17(g) inclusive, employees shall be assigned two (2) rest days in each seven (7). The rest days shall be consecutive as far as possible consistent with the establishment of regular relief assignments and the avoidance of working an employee on an assigned rest day. Preference shall be given to Saturday and Sunday and then to Sunday and Monday. The work weeks may be staggered in accordance with the Railway's operational requirements.

3.2 In any dispute as to the necessity of departing from the pattern of two (2) consecutive rest days or for granting rest days other than Saturday and Sunday or Sunday and Monday for employees covered by Rule 3.1 it shall be incumbent on the Railway to show that such departure is necessary to meet operational requirements and that otherwise additional relief service or working an employee on an assigned rest day would be involved.

3.3 In the event that a situation arises which makes it impracticable to assign consecutive rest days to all employees covered by Rule 3.1 at a particular point the following procedure shall be observed by the Local Committee and Local Management. Where arrangements are made under (c) and (d) of this Rule 3.3 the Regional Vice-President will be advised.

(a) All possible regular relief positions shall be established pursuant to Rule 4.

(b) Possible use of rest days other than Saturday, Sunday or Monday, where these may be required under this Agreement, to be explored by the parties.

(c) Accumulation of rest days shall be considered. Where it is not reasonably practicable to provide regular relief each week, the rest day or days for which relief is not provided may be accumulated and granted at a later date. Such accumulation shall not exceed five (5) days and rest days so accumulated shall be allowed consecutively when five (5) days have been accumulated. However, the accumulation of a greater number of rest days and their allowance at longer intervals may be arranged by mutual agreement between officers of the Railway and the Regional Vice-President.

(d) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.

(e) If the foregoing does not solve the problem, then some of the relief employees may be given non-consecutive rest days.

(f) If after all the foregoing has been done there still remains service which can only be performed by requiring employees to work in excess of five days per week, the number of regular assignments necessary to avoid this may be made with two (2) non-consecutive days off.

(g) The least desirable solution of the problem would be to work some regular employees on the sixth or seventh day at overtime rates and thus withhold work from additional relief employees.

RULE 4

Relief Assignments

4.1 All possible regular relief assignments with five (5) days' work per week and two (2) consecutive rest days (subject to Rule 3) shall be established to perform necessary relief work or to perform relief work on certain days and such types of other work on other days as may be assigned under this Agreement.

4.2 Where situations exist making it impracticable to establish relief assignments in accordance with the above, the officers of the Railway and the Regional Vice-President may, by mutual agreement, arrange for relief assignments on such other basis as may be suitable.

Consent to such proposed arrangements shall not be unreasonably withheld in cases where otherwise employees would be required to work on assigned rest days or unreasonable travel time would be involved.

4.3 Regular relief assignments may on different days have different starting times, duties and work locations, provided such starting times, duties and work locations are those of the employee or employees relieved.

RULE 5

Overtime and Calls

5.1 For continuous service after regular working hours, employees will be paid time and one-half on the actual minute basis, with a minimum of one hour at straight time rates for any such service performed.

5.2 (a) The right of employees to go for a meal after having performed an hour's work after the completion of their regular shift is unquestioned.

(b) Should employees working overtime after completion of their regular shift continue to work for more than one hour without going for a meal, this shall not debar them from being allowed to go for a meal thereafter. However, after the ninth hour, it is optional with employees as to whether they continue work without being allowed to go for a meal.

(c) Employees called in for overtime work not continuous with their regular shift but working with a regular assigned shift of employees shall be required to take their meal period as normally assigned to the shift.

(d) Employees called in for overtime work, but not starting at the regular starting time of a shift shall be allowed after two (2) hours work to go for a meal.

(e) Time taken for meals will not terminate the continuous service period referred to in (a) and (b) of this Rule and will be paid for up to thirty (30) minutes at the

prevailing overtime rates.

5.3 Employees called or required to report for work and reporting but not used will be paid a minimum of three (3) hours pay at the prevailing overtime rate.

5.4 Employees called or required to report for work and reporting will be allowed a minimum of three (3) hours at the prevailing overtime rate for three (3) hours work or less, and will be required to do only such work as called for or other emergency work which may have developed after they were called and cannot be performed by the regular force in time to avoid delays in train movement.

5.5 Car mechanics and their helpers, including coach cleaners, required to attend schedule passenger trains, or sections thereof, for inspecting, icing, watering, cleaning, and putting on supplies, outside of regularly assigned working hours will be allowed a minimum of two (2) hours at straight time rates.

5.6 Employees will be allowed for services performed continuously in advance of the regular working period a minimum of two (2) hours at straight time rates - the advance period to be not more than one (1) hour.

5.7 Employees called or notified to return for work in other than their regular assigned hours will, on responding to calls, be advised the emergency for which called. This will not, however, prevent employees being used for other emergency work which might develop subsequent to the time called.

5.8 Employees will only be required to attend investigation outside their working hours when the requirements of the service will not permit the taking of statements during regular working hours.

5.9 Insofar as practicable helpers shall not be employed or advanced temporarily to do mechanics' work -when mechanics are available - to avoid the necessity of payment for overtime.

Work on Saturdays and Sundays

5.10 Employees regularly assigned to work on Saturdays and Sundays or those called to take the place of such employees, will be allowed to complete the balance of the day, unless released at their own request. Those who are called will be advised as soon as possible after vacancies become known.

Working During Meal Period

5.11 Employees required to work during meal period shall receive pay at the rate of time and one-half on the minute basis, but will be relieved the necessary time (without pay) to procure a meal.

This does not apply where employees are allowed the thirty (30) minutes for lunch without deduction therefor.

Equalizing Overtime

5.12 When it becomes necessary for employees to work overtime they shall not be laid off during regular working hours to equalize the time.

5.13 At points where sufficient number of employees are employed, employees shall not (except as provided for in Rule 5.10) work two (2) consecutive rest days (holidays to be considered as rest days).

5.14 Record will be kept of overtime worked and employees called with the purpose in view of distributing the overtime equally.

Changing Shift

5.15 Employees changing from one shift to another and commencing work within 24 hours of original starting time, will be paid overtime rates for the first shift at each change. Employees working two (2) shifts or more on a new shift shall be considered transferred. This will not, however, involve the payment of punitive overtime rates to employees changing off where employees work alternately on stated shifts, to employees changing positions under the exercise of their seniority rights, nor to employees in regular relief service.

Vacation

5.16 Employees will not be called for overtime after termination of their last shift worked prior to vacation, until the commencement of the first shift worked following their vacation.

RULE 6

Emergency Calls and Wrecking Service

6.1 In the event a work force is required to perform emergency or wrecking service away from the home terminal, employees regularly assigned to work at a shop, engine house, repair track or inspection point, will be engaged in such service and paid in accordance with the following rules.

Emergency Service Assignments

6.2 Emergency Service is defined as a call of any duration during which the Company does not provide both meal(s) and a minimum of 5 continuous hours of sleeping accommodation for that employee. Where the employee is reimbursed for such expenses they are considered to have been provided by the Company. Employees holding secondary assignments on Road Repair Trucks will be paid under the Emergency Services Assignments provisions of Rules 6.2 to 6.10 inclusive.

Employees(s) will not be provided a meal and/or accommodation at the end of

their call for the sole purpose of converting their call from emergency service to wrecking service, but this may be done by the Company for any safety or operational requirements.

6.3 Employees used in emergency service during their regular work hours will be paid from time of departure from home terminal until released upon return to home terminal. If called during overtime hours, they shall be considered to have been in emergency service from time called, except that employees may be notified to report for a specific time, in which event they would be accorded one hour preparatory time. This exception means an employee may be notified to report during the day before the assignment is scheduled to commence. For the purposes of this rule 6.3, where home terminals contain more than one yard, employees will be considered to have departed the home terminal when they have departed from the yard, or location or assigned work area within that yard, where they have obtained equipment or tools.

6.4 Employees returning from emergency service who commenced such service prior to the 8-hour period immediately preceding the starting time of their regular assignment at their home location, and who because of such service have been unable to secure five hours of undisturbed rest immediately prior to starting time of their regular assignment at their home location, shall be accorded a minimum of five hours rest with no loss of pay before being requested to report on their regular assignment at home location. Such five hours shall commence from the time the employees are released from service at their home locations.

6.5 Employees will be called as nearly as possible one hour before departure from home terminal. Upon return to home terminal they will deliver tools at points designated.

6.6 Employees called for emergency service shall be paid at straight time rates for all time working, waiting or travelling during those hours within their regular hours of duty as established at the home terminal, and time and one-half during overtime hours except as otherwise provided in Rule 2.2. Such employees relieved from duty for five hours or more between the hours of 9:00 p.m. and 7:00 a.m. will not be paid for such time, provided sleeping accommodation is available and provided they are not travelling during such five hours or more.

6.7 Employees called during overtime hours for emergency service who report for work but not used, will be paid the equivalent of four hours at straight time rates.

6.8 Employees called for emergency service who are thereby prevented from working their regular hours at their home terminal, shall be paid for a total of not less than the equivalent of eight hours at straight time rates for each regular work day. This rule shall also apply on rest days with the exception that, if held over on rest days and not required to work they shall be paid a maximum of eight hours at straight time rates for each rest day so held.

6.9 Employees called for emergency service where meals and lodging are not provided shall be allowed actual necessary expenses. Receipts to cover actual

necessary expenses are not required, except when such expenses exceed \$6.00 per meal.

6.10 The methods of payment provided for in this Rule shall apply except as they may be affected by the application of the provisions governing service on general holidays.

Wrecking Service Assignments

6.11 Wrecking Service is defined as a call of any duration during which the Company provides both meal(s) and a minimum of 5 continuous hours of sleeping accommodation for that employee. It is understood that when the Company provides sleeping accommodation for that employee, the employee shall be permitted to utilize such sleeping accommodations for 5 or more continuous hours of undisturbed rest. Where an employee is reimbursed for such expenses they are considered to have been provided by the Company.

Undisturbed rest means rest which has not been disturbed as a result of switching of the sleeping accommodation occupied by that employee, or being awakened at the discretion of a Company Officer.

Where a second call (or subsequent calls) to the same work site is to perform cleanup operations, and where that call is in wrecking service, the 24-hour continuous service provision of Rule 6.16 shall not apply to that call.

Where one call contains both emergency and wrecking service, the entire call shall be considered to be in wrecking service.

6.12 Employees used in wrecking service during their regular work hours will be paid from time of departure from home terminal until released upon return to home terminal. If called during overtime hours they shall be considered to have been in wrecking service from time called except that employees may be notified to report for a specific time in which event they would be accorded one hour preparatory time. This exception means an employee may be notified to report during the day before the assignment is scheduled to commence. For the purposes of this Rule 6.12, where home terminals contain more than one yard, employees will be considered to have departed the home terminal when they have departed from the yard, or location or assigned work area within that yard, where they have obtained equipment or tools.

6.13 Employees returning from wrecking service who commenced such service prior to the 8-hour period immediately preceding the starting time of their regular assignment at their home location, and who because of such service have been unable to secure five hours of undisturbed rest immediately prior to the starting time of their regular assignment at their home location, shall be accorded a minimum of five hours rest with no loss of pay before being requested to report on their regular assignment at home location. Such five hours shall commence from the time the employees are released from service at their home location.

6.14 Employees in wrecking service will, upon return to home terminal, deliver tools at

points designated.

6.15 Except as provided in Rule 6.16 employees called for wrecking service shall be paid at straight time rates for all time working, waiting or travelling during those hours within their regular hours of duty as established at the home terminal and time and one-half during overtime hours.

6.16 Employees engaged in wrecking service, provided they are in such service for a continuous period of twenty-four hours, will be considered as in continuous service for the first twenty-four hour period including the meal periods. After the first twenty-four-hour period, the Company shall provide the employees engaged in such service the ability to secure reasonable rest time on a daily basis. Such reasonable rest time may be acquired during travelling or waiting periods provided sleeping accommodation is available. Employees relieved from duty subsequent to this twenty-four hour period for five hours or more, will not be paid for such time, provided sleeping accommodation is available and provided they are not travelling during such five hours or more. After the first 24-hour period, all employees shall be considered to have assigned hours of 8:00 a.m. to 4:00 p.m.

6.17 Employees called during overtime hours for wrecking service who report for work but not used, will be paid the equivalent of four hours at straight time rates.

6.18 Employees called for wrecking service who are thereby prevented from working their regular hours at their home terminal, shall be paid for a total of not less than the equivalent of eight hours, at straight time rates for each regular work day. This rule shall also apply on rest days with the exception that, if held over on rest days and not requested to work they shall be paid a maximum of eight hours at straight time rates for each rest day so held.

6.19 Employees called for wrecking service where meals and lodging are not provided, shall be allowed actual necessary expenses. Receipts to cover actual necessary expenses are not required, except when such expenses exceed \$6.00 per meal.

6.20 The methods of payment provided for in this Rule shall apply except as they may be affected by the application of the provisions governing service on general holidays.

Manning Procedures

6.21 At locations where Car Mechanics are required to protect emergency/wrecking services such as conventional auxiliaries, Hy-Rail cranes, wreck dozers, Special Commodity Car Mechanics, Road Repair Trucks, Road Repair Cars, and rental equipment they shall be given an opportunity, by bulletin, to bid on the secondary assignment position they wish to protect. For each kind of Company owned or leased machine there shall be a regular list and a spare list. There shall also be a regular list and a spare list for groundperson(s) to work in conjunction with rental equipment. Where practicable Car Mechanics will be permitted to hold a position on only one such secondary assignment at one time.

Note: Rental list groundperson(s) shall be called to work in conjunction with rental equipment called for use in emergency/wrecking service situations that require associated ground work.

6.22 When calling equipment, the Company shall give first priority to Company owned or leased equipment. However, in instances in which it is necessary to rent equipment for emergency wrecking services, Car Mechanics shall be used as the ground crew for each piece of equipment. Each piece of rented equipment shall be staffed with a minimum of two groundpersons. However, if more than two pieces of rental equipment are required at a site, the Company shall determine the staffing requirements, if any, for such additional piece(s) of rental equipment over two. Individuals not governed by Collective Agreement 12 shall not be used to perform ground work.

6.23 In the event that a Car Mechanic assigned to protect a secondary assignment position in a regular list or on a spare list desires to be released temporarily from the requirement to be available, that Car Mechanic must so notify the proper officer of the Company at least 24 hours in advance. Such an employee will be granted the release provided there are sufficient qualified employees available from the regular list and/or spare list concerned to adequately protect the service.

6.24 Vacancies in secondary assignment positions on regular lists and on spare lists will be bulletined to Car Mechanics at the point where protection is required within the Seniority Terminal. The allotment of positions will be based on qualifications, seniority and the conditions specified herein.

6.25 In the filling of vacancies Car Mechanics assigned to the day shift on the repair track shall be given first preference and Car Mechanics assigned to other shifts on the repair track shall be given second preference. In the case of vacancies to protect Road Repair Truck services the bulletin may designate preferences which vary from the foregoing.

6.26 Car Mechanics assigned to spare lists shall be called, for the respective emergency/wrecking service calls, as required. They shall be called in seniority order and in accordance with their qualifications. If a Car Mechanic from the spare list is required for the Road Repair Truck service at a time when one or more spare list employees are on duty at the terminal, the senior of such spare list employees will be used.

While any of the following circumstances apply, Car Mechanics with secondary assignments on regular or spare lists shall lose their right to be called in seniority order, and shall be the last Car Mechanics called amongst those who hold the same secondary assignment (regular list and spare list) in that service;

(1) where a Car Mechanic exercises seniority (bids or displaces) to any position outside of the repair track; or

(2) where a Car Mechanic exercises seniority (bids or displaces) to a position

outside the preference shift described by Rule 6.25.

Car Mechanics who exercise their seniority under Rules 23.11 or 23.14 from repair track positions to other Car Mechanic positions or other shifts shall automatically forfeit their secondary assignment two years after the date they were awarded their secondary assignment. However, such Car Mechanics may be held last on the call list for a maximum of an additional six months while replacements are trained.

6.27 Car Mechanics who are protecting a machine which requires that they drive a motor vehicle on highways or other public roads must equip themselves with the necessary driver's license in accordance with the applicable provincial Motor Vehicle Act. In addition they must pass the Company's driver's test and medical examination and must provide the original copy of their driver's abstract upon request. The fee for the cost of the driver's abstract will be paid by the Company or be reimbursed to the employee.

6.28 Wrecking and emergency equipment operators will be responsible for ensuring that the equipment they operate is in proper and safe working order and will notify the proper officer of the Company of any defects. Under normal circumstances they will be allowed sufficient time during their assigned hours of duty to perform the necessary inspections and adjustments.

6.29 Effective September 1, 1989, Car Mechanics who after that date are assigned to protect a position in a regular list or assigned to a spare list will be required to remain on that position for two years from date of award of the bulletin before being permitted to apply for another secondary assignment position at the same seniority terminal. However, spare list or regular list Car Mechanics will be permitted at any time to apply for a vacant regular list or spare list secondary assignment position for which the Car Mechanic is already fully qualified. Car Mechanics may be released from their secondary assignment position at any time after they have provided a justifiable reason and if then mutually agreed between the Local Chairperson and the Local Management.

6.30 After occupying the same regular list or spare list secondary assignment position for two years, Car Mechanics covered by Rule 6.29 above may subsequently at any time voluntarily give six months' notice to the Local Management with a copy to the Local Chairperson to indicate the Car Mechanic's election to vacate the position held. Such notice may only be withdrawn by the Car Mechanic if mutually agreed between the Local Chairperson and the Local Management.

6.31 Upon request of a Car Mechanic, the Company will either provide or arrange payment of rental costs for, paging devices for the calling of that Car Mechanic holding a regular or spare list secondary assignment position at seniority terminals where such paging services are available. The choice of paging devices, the supplier of the paging service and the method of payment shall be determined by the Company. Car Mechanics provided paging devices will be responsible for their care and maintenance in accordance with the conditions of the supplier.

6.32 Paging devices will be used to call Car Mechanics after they cannot be reached

by telephone. This shall not prevent the Company from calling other Car Mechanics in their stead when the Car Mechanics paged have not responded and acknowledged the call within the first ten minutes of the time the Company placed the pager call. If the first Car Mechanics paged have not responded within their ten-minute response time, other Car Mechanics paged will be permitted only five minutes to respond to their pager calls. The Company will accept long distance telephone charges from Car Mechanics responding to such pager calls.

6.33 It is understood that employees will not be called after the termination of their last shift worked prior to vacation, until the commencement of the first shift worked following their vacation. Notwithstanding the above, in the event there are no qualified operators available for a Hy-Rail Crane, Wreck Dozer or Auxiliary Crane from within the regular or spare lists or active Car Mechanics on the seniority list at the location, the Company shall call qualified operators, in the respective service in seniority order, who are on vacation. Such operators shall not be obligated to accept the call. If operators on vacation voluntarily accept calls, such operators will not be entitled to penalty payments under Rule 46.1 (I) for their rescheduled vacation. The operators' vacation will be rescheduled as soon as possible after the call, by the Local Chairperson and the local officer of the Company. The foregoing applies only to the equipment operators identified in this paragraph.

Additionally employees whose work on the auxiliary or other emergency/wrecking service carries them into their vacation period shall, provided relief is available, have the option of commencing their vacation or continuing to work the emergency call for the duration of that assignment. If they elect to commence their vacation, they will do so as soon as they are relieved. If they elect to continue to work on the assignment they will not be entitled to penalty payments for their rescheduled vacation under the terms of Rule 46.1 (I).

When an employee who is working on the auxiliary or other emergency/wrecking service during the month of December, and that assignment will carry into the employee's scheduled vacation period, provided relief is available, the employee affected shall not have the option of remaining at work but must commence their vacation.

6.34 Car Mechanics who hold a secondary assignment at a seniority terminal and exercise seniority rights under Rule 23.13 to another seniority terminal may be held from moving to their new seniority terminal until such time as a replacement has been trained and qualified for their secondary assignment. This training will be done as soon as practicable but in no case shall exceed six months from the date of the award of the position under Rule 23.13. Employees held under this Rule 6.34 may claim any vacancy for which they are senior and qualified at their new seniority terminal which has been bulletined under Rule 23.11 during the time period they are held at the original seniority terminal, but must do so within 7 calendar days of arrival at the new seniority terminal.

6.35 It shall be incumbent on employees, on annual vacation, leave of absence or absence because of illness or injury to notify the proper officer of the Company along

with the duly authorized representative in writing, of their interest in any such position bulletined under Rule 6. These applications must be renewed by the employee every 12 months. Employees who have made their intentions known to both parties and are absent from duty for any of the above reasons may have an application submitted on their behalf by the duly authorized Union representative. The Company and the Union will make arrangements to fill vacancies during the interim if necessary.

6.36 The exercising of seniority by employees to displace junior employees from a secondary assignment shall not be permitted except when secondary assignment positions are abolished. Affected employees shall have the right to displace junior employees holding secondary assignments of their choice (regular or spare) in the service of their choice, with the following exceptions;

- (1) Groundmen, Wreckdozer Operators, Road Truck Operators, Road Car Car Mechanics and Special Commodity Car Mechanics, shall not be permitted to displace crane operators unless fully qualified for the position; and
- (2) Groundmen, Crane Operators, Road Truck Operators, Road Car Car Mechanics and Special Commodity Car Mechanics shall not be permitted to displace Wreckdozer Operators unless fully qualified for the position; and
- (3) No displacement shall take effect during a call; and
- (4) The spare list(s) will be expanded to absorb displacing and displaced employees to insure that they have the opportunity (if they wish) to retain their chosen service on a secondary assignment.

Affected employees shall make their intentions known within forty-eight hours of notification and subsequent displacement shall be made without undue delay. The local committee shall be consulted.

RULE 7

Temporary Transfers

7.1 Employees sent out to temporarily fill vacancies at an outlying point or shop, or sent out on a temporary transfer to an outlying point or shop will be paid continuous time from time ordered to leave home station to time of reporting at point to which sent, straight time rates to be paid for straight time hours at home station and for all other time, whether waiting or travelling. If on arrival at the outlying point there is an opportunity to go to bed for five (5) hours or more before starting work, time will not be allowed for such hours.

7.2 While at such outlying point they will be paid straight time and overtime in accordance with the bulletin hours at that point, and will be guaranteed not less than eight (8) hours for each day.

7.3 Where meals and lodging are not provided by the Company, actual necessary

expenses will be allowed.

7.4 On the return trip to the home station, straight time for waiting or travelling will be allowed up to the time of arrival at the home station.

7.5 If required to leave home station during overtime hours, they will be allowed one hour preparatory time at straight time rate.

RULE 8

Road Work

8.1 Rules 8.2 through 8.8 are only applicable to the trades of Heavy Duty Mechanic and Electrician.

8.2 Employees regularly assigned to repair or maintenance positions who perform work away from their home seniority terminal, and who are not covered by Rules 6, 7 or 9, shall be paid under the provisions of this Rule 8.

8.3 For all hours travelling, waiting, or for work performed during regular work hours, straight time shall be paid, and overtime rates during overtime hours. If relieved from duty and permitted to go to bed for five (5) hours or more, they will not be allowed pay for such hours. Where meals and lodging are not provided by the Company when away from home station, actual necessary expenses will be allowed.

8.4 EXCEPTION - Where the schedule of trains interferes with the starting time an agreement may be entered into by the Superintendent of the Department affected and the Regional Vice-President.

8.5 When such employees do not return daily to their home station, boarding car, hotel, motel or lodging, they will be paid for all overtime actually worked as per Rule 2.1 and 2.2 and in such cases where meals and lodging are not furnished by the Railway, employees will be paid actual expenses. If lodging is not available at point where work is performed, employees will be paid according to Rule 6 until they reach lodging, home station or boarding car.

8.6 Employees sent out on road repair work under this Rule 8 on regularly assigned rest days shall be paid time and one-half for working, waiting and travelling with a minimum of eight (8) hours at time and one-half.

8.7 Employees sent out on a holiday which is the employee's regular rest day shall be governed by Rule 45.2

8.8 Employees sent out on a holiday which is the employees' regular work day shall be paid in accordance with Rule 45 with a minimum allowance of eight (8) hours at the appropriate rate.

RULE 9

Road Work Employees Paid

181.3 Hours Per Four-Week Period

9.1 Employees regularly assigned to perform road work and paid on the basis of 181.3 hours per four-week period shall not be paid less than the minimum hourly rate established for the corresponding class of employee coming under the provisions of this Collective Agreement. The salary for the 181.3-hour, four-week period is arrived at by multiplying the hourly rate by 160 straight time hours and 21.3 hours at time and one-half. If required to work in excess of 181.3 hours per four-week period, such hours shall be paid for as follows:

Actual overtime hours worked in excess of 160 hours will be accumulated over a twelve-week period. If these total overtime hours worked exceed 63.9 (comprised of 21.3 hours x 3 four-week periods) such additional hours worked in excess of 63.9 will be paid for at the rate of time and one-half at the conclusion of the twelve-week period.

NOTE: Should an employee take a position paid on the basis of this Rule 9.1, and remain on such position for a period of less than twelve (12) weeks, the period so engaged will be recognized as the accumulation period for that employee. In such circumstances, overtime compensation will be calculated in relation to the total overtime hours worked pro-rated over the number of weeks actually engaged during the 12-week period. This does not apply to employees who work for periods of less than one week.

9.2 Such employees shall be assigned one regular rest day per week, Sunday if possible, and service on such assigned rest day shall be governed by Rules 2.6, 2.7, 2.8 and 5.

9.3 Such employees shall be compensated for the general holidays specified in Rule 45.2 in accordance with the provisions of Rules 45.12 to 45.14 inclusive.

9.4 Employees regularly assigned as road work employees under the provisions of this Rule 9 may be used, when at home point, to perform shop work in connection with the work of their regular assignments.

9.5 Where meals and lodging are not furnished by the Railway, or when the service requirements make the purchase of meals and lodging necessary while away from home point, employees will be paid necessary expenses.

9.6 If it is found that this Rule 9 does not produce adequate compensation for certain of these positions by reason of the occupants thereof being required to work excessive hours, the salaries for these positions may be taken up for adjustment.

RULE 10

National Day of Mourning

10.1 Each year on April 28 at 11:00 a.m., work will stop and one minute of silence will be observed in memory of all Canadian Workers killed or injured on the job and to affirm the parties' commitment to the issue of health and safety in the workplace.

RULE 11

Temporarily Replacing Other Employees

11.1 When employees are required to fill the place of other employees receiving a higher rate of pay, the employee shall receive the higher rate but if required to fill, temporarily, the place of other employees receiving a lower rate, the employees higher rate will not be changed.

RULE 12

Working Supervisor

12.1 A Supervisor shall not be allowed to do mechanics' work when mechanics are working on a reduced hourly basis and are available. Supervisors will not perform bargaining unit work except in instances of emergencies. This is not intended to restrict the use of a working supervisor in accordance with established practice at small points.

RULE 13

Promotion to Position of Supervisor

13.1 Mechanics in the service, if qualified, will be given preference for promotion to position as supervisor when vacancies occur.

RULE 14

Promotion to Position of Leading Hand

14.1 When vacancies occur in positions, such as a leading hand supervising the work of a gang, employees from the craft will be promoted and the Committee shall be consulted before any appointment is made.

Duties and Responsibilities of Leading Hands

14.2 Mechanics, having necessary qualifications and experience in their trade, to be able to direct and supervise the work of a group of employees under the supervision of a recognized supervisor. Notwithstanding the foregoing sentence a coach cleaner shall not be restricted from being awarded a vacancy as a leading hand coach cleaner in charge of coach cleaners only.

The duties of lead hands will not be as a supervisory officer in charge of a department, nor will lead hands have a role in the application of discipline.

14.3 Employees released from permanent official or excepted positions will not be permitted to bid on any assignment of lead hand until one year after they have returned into the unionized ranks.

RULE 15

Leave of Absence

15.1 When the requirements of the service will permit, employees will be granted leave of absence, not to exceed 90 days, with the privilege of renewal by consent of the Management and Committee.

15.2 Any employee engaging in other employment whilst on leave, except with consent of Management and Committee, shall be considered out of the service.

15.3 The arbitrary refusal of a reasonable amount of leave to employees when they can be spared, or failure to handle promptly cases involving sickness or business matters of serious importance to the employee, is an improper practice and may be handled as unjust treatment under this Agreement.

RULE 16

Absence From Work

16.1 In case employees are unavoidably kept from work they will not be discriminated against. An employee detained from work on account of sickness or for any other good cause, must, if possible, advise the supervisor in time to arrange for relief, and in all cases employees will make arrangements with the supervisor to lay off.

RULE 17

Faithful Service

17.1 Employees who have given long and faithful service in the employ of the Company and who have become unable to handle heavy work to advantage will be given preference of such light work in their line as they are able to handle (subject to pension regulation age limits) as mutually agreed between the proper officer of the Company and the respective Regional Vice-President. Neither party shall unreasonably withhold their agreement.

17.2 Where employees become physically disabled during the course of their employment and are unable to perform the regular duties of their assigned positions and are unable to exercise their seniority on a position which they are capable of performing the proper officer of the Company and the Regional Vice-President concerned will meet to see if arrangements can be made to provide employment to the employees concerned within the existing work force. The parties may, by mutual agreement, place disabled employees on positions that their qualifications and ability allow them to perform, notwithstanding that it may be necessary to displace able bodied employees so as to provide suitable employment. The permanently assigned employees so displaced will be allowed to exercise seniority onto a position that they are qualified for and have the ability to perform.

17.3 A disabled employee placed on a position shall not be displaced by an able bodied employee so long as the disabled employee remains on that position except when a senior employee is otherwise unable to hold a position within that seniority terminal.

17.4 Should disabled employees subsequently recuperate, they shall be subject to displacement, in which case such employees will exercise seniority rights. When a senior able bodied employee believes that the provisions of Rules 17.2 to 17.5 will result in undue hardship, the Regional Vice-President may discuss the circumstances with the Company.

17.5 Employees in service who, through bona fide medical or physical reasons, have become unable to handle certain classes of work in their respective classifications may by mutual agreement between the proper officer of the Railway and the Regional Vice-President, transfer from one seniority terminal to another with a view to accepting a permanent transfer. They shall, after 90 calendar days, lose their seniority at the seniority terminal they left and will be allowed to carry their seniority rights with them to the seniority terminal to which transferred.

17.6 Rules 17.1 to 17.5 are to provide guidelines for assisting disabled employees to continue to be employed.

RULE 18

Attending Court

18.1 When attending Court as witnesses for the Railway, or a Coroner's Inquest in which the Railway is involved, or subpoenaed by the Crown in cases where the Company is involved, employees will receive pay for all time lost at home station, with a minimum of 8 hours' time each week day and 8 hours at time and one-half for assigned rest days, whether at home station, away from home or travelling. On holidays specified in Rule 45 employees shall be paid a minimum of eight hours at the appropriate rate. Time and one-half will be paid for travelling during overtime hours, where employees are unable to secure sleeping car accommodation. Actual expenses will be allowed when away from home station and necessary expenses will be allowed when at home. When necessary the Company will furnish transportation, and will be entitled to certificate for witness fees in all cases.

RULE 19

Pay Procedures

19.1 Employees will be paid bi-weekly through the Direct Deposit System (DDS).

19.2 Should the regular pay day fall on a holiday or days when the shops are closed down where practicable employees will be paid on the preceding day.

19.3 When an employee is short paid more than a half day's pay a voucher will be issued within three working days of an employee's request for payment to cover the shortage. The time specified herein shall be exclusive of Saturdays, Sundays and holidays.

19.4 Employees leaving the service of the company will be furnished with a time voucher covering all time due within 24 hours at points where discharge checks are issued, and within 48 hours at other points, or earlier when possible. The time specified shall be exclusive of Saturdays, Sundays and holidays.

19.5 All overtime earned shall be shown as a separate item on the DDS earning statements of employees.

RULE 20

Shop Close Down

20.1 Regular employees assigned to shop maintenance shall be considered as a subdivision of a department and shall be worked as such on maintenance work during periods when shops are closed down, at straight time rates for straight time hours and overtime rates for overtime hours.

RULE 21

Laid-off Employees Securing Work Elsewhere

21.1 Employees laid off account staff reduction who desire to secure employment within the Railway will upon application be furnished with free rail transportation in accordance with the service provisions of the Company's pass regulations.

RULE 22

Employees required to Work When Shop Closed Down Due to Breakdown in Machinery, etc.

22.1 Employees required to work when shops are closed down due to breakdown in machinery, floods, fires, and the like, will receive straight time for regular hours, and overtime for overtime hours.

Rule 23

Seniority

23.1 New employees shall not be regarded as permanently employed until they have completed 65 working days cumulative service. In the meantime, unless removed for cause which, in the opinion of the Company renders them undesirable for its service, employees shall accumulate seniority from the date they entered the classification in the trade, and shall be regarded as coming within the terms of this Agreement.

23.2 Basic seniority territory shall be the former Area Manager's Territory.

23.3 (a) Seniority of employees covered by this Agreement shall, except as otherwise provided herein and in the Trade Special Rules and the Employment Security and Income Maintenance Agreement, be confined to the seniority terminal at which employed and to the date of entry into their respective classifications:

- Car Mechanics, Heavy Duty mechanics, and Electricians represented by CAW - Canada Local 100)
- Helpers
- Coach Cleaners

Except as may be otherwise mutually agreed between the Union and the Railway, the main shops will be regarded under this Rule 23.3 (a) as a separate seniority terminal for the purpose of seniority.

NOTE: Transcona shall be considered as a main shop.

The seniority of employees for purposes covered by this Agreement is independent of provident or insurance fund regulations.

(b) When two or more employees commence work in the same seniority group on the same day, the procedure for establishing their relative seniority standing shall be determined as follows:

(i) the employee with the greatest previous service in the trade within the Company shall be senior;

(ii) if (i) is the same, the employee with the greatest previous service under this Collective Agreement shall be senior;

(iii) if (ii) is the same, the employee with the greatest amount of previous service with the Company shall be senior;

(iv) if (iii) is the same, the employee who first signed the Company's application form for employment shall be senior; and

(v) if (iv) is the same, the employees' names shall be placed on the seniority list as mutually agreed by the proper Officer of the Company and the Regional Vice-President.

The foregoing criteria shall be applied in the sequence shown and only to the extent required to make a determination.

23.4 Seniority lists will be open for investigation and copies shall be furnished by the Company to the local committee and the Regional Vice-President.

23.5 (a) Seniority lists shall be updated and posted at the headquarters locations of all employees concerned, on or before December 31 of each year. A copy of said list shall also be furnished to the union representatives of the employees.

(b) Seniority lists shall be open for correction for a period of sixty calendar days on presentation in writing of proof of error by the employee or the employee's representative to the employee's immediate supervisor.

(c) Except by mutual agreement, seniority standing shall not be changed after becoming established by being posted for sixty calendar days following date of issue, without written protest.

23.6 For employees on layoff, leave of absence, annual vacation, or absence because of illness or injury at the time of posting, the 60-calendar-day period shall begin on the date of return to service.

23.7 Employees at outside points where no immediate supervisor is located shall be placed on the seniority lists and retain their seniority at the seniority terminal where such immediate supervisor is located who has jurisdiction over such outside points. If not working under the jurisdiction of an immediate supervisor they shall retain seniority at the seniority terminal from which sent.

23.8 An employee temporarily set up as a mechanic shall retain and continue to accumulate seniority on the helpers' seniority list from which set up while working in the capacity of mechanic. Such a helper will not be recognized as holding any seniority as mechanic. A helper governed by this Rule 23.8 shall not be promoted to the permanent mechanics' seniority list of the trade except as may be provided for in the Trade Special Rules.

23.9 (a) Should it be necessary to hire a mechanic who is not fully qualified, or should it be found after being hired that the mechanic is not fully qualified, such mechanic shall be discharged from the service immediately that mechanic can be replaced by a qualified mechanic or a suitable helper who is available to be promoted to the position of mechanic in training.

(b) A newly hired mechanic who fails to pass the qualifying tests (within a maximum of 65 cumulative working days) will be released from the service, or if the exigencies of the service so require such mechanic will be retained in the service up to 130 working days from date of last entry into service. If necessary, this 130-working-day period may be extended by mutual agreement between the proper officer of the Company and the Regional Vice-President.

(c) "Fully Qualified Mechanic" shall mean a mechanic who has successfully completed the railway apprenticeship training program or a mechanic who has not completed such Apprentice training program but who has, through on-the-job training within or outside the railway industry and/or outside vocational training in the trade, become fully qualified. Mutually agreed upon objective tests shall determine whether or not a mechanic who has not served a railway apprenticeship program in the trade has become a fully qualified mechanic as specified above.

23.10 (a) (i) An employee promoted in the trade to the classification of trainee mechanic, and who, under the Trade Special Rules is engaging in a training procedure toward ultimate establishment on the permanent seniority roster of the trade, shall be periodically tested during such training period and, if, at any time, it is found that such employee is not progressing satisfactorily toward the ultimate aim of becoming a fully qualified mechanic in accordance with the definition of a "fully qualified mechanic" as contained in Rule 23.9 (c) the employee shall, subject to Rule 23.10 (b) hereof, be required to revert to the group from which promoted, provided there is another employee available who possesses the necessary aptitudes to justify being promoted to mechanic with a view to becoming fully qualified. No employee who is not fully qualified shall be established on the permanent mechanics' seniority list in the trade.

(ii) When necessary the Company will institute training programs after due consultation with the appropriate officers of the Union. The consent of the Regional Vice-President to such training programs shall not be unreasonably withheld. Employees shall not be promoted or hired to a trainee mechanic position in the trade prior to agreement being reached, by the parties concerned, for the implementation of a training program in the trade.

(b) Except as otherwise provided in the Trade Special Rules an employee

who enters the training program and who fails at any stage to meet the requirements of the trade tests for a given trade may continue to be employed in the position of mechanic if necessary to meet operational requirements in accordance with Rule 23.8.

(c) Positions requiring considerable skills, shall, to the extent possible, be filled by fully qualified mechanics. In following this principle, both parties will give full recognition to operational requirements of the Railway and to any employee training arrangements that may be mutually agreed upon in respect of the trade.

23.11 When vacancies occur for which replacements are required, or new jobs are created or additional staff is required in a classification in a respective trade for an expected period of 90 calendar days or more such vacancies or new jobs shall be bulletined for a period of not less than 7 calendar days to employees in the classification at the seniority terminal where they are created, and will be awarded to the senior employees, subject to Rule 23.29, the local committee to be consulted. An employee who is awarded a position under this Rule 23.11 will not be awarded the vacancy caused by the employee's departure from the employee's former position unless the employee is the only qualified applicant. The foregoing sentence will only apply when the bulletined duties, hours of work and rest days are identical to the bulletined position the employee has vacated during the ninety (90) calendar days previous to the closure date for applications to the new bulletin.

(See Appendices II and IX)

Within a main shop, successful applicants will be permitted to move within fifteen (15) calendar days of the close of the bulletin. This period may be extended to 30 days by mutual agreement with the Regional Vice-President.

23.12 When vacancies occur or new jobs are created or additional staff is required in a classification, in the trade for an expected period of less than 90 calendar days, such vacancies or new positions may be claimed by the senior qualified employees from the respective point within the home seniority terminal desiring same; the local committee to be consulted in each case.

Employees assigned to fill positions under this Rule 23.12 shall be considered as temporarily assigned and on completion of such temporary positions they shall be returned to their former basic regular assignments. For the purpose of this clause annual vacation relief, leave of absence, sickness, injury, etc., shall be positions coming under the scope of this Rule 23.12. An employee assigned to fill a position under this Rule 23.12 may not claim or apply for another position under this Rule 23.12 which will commence work during the first thirty (30) calendar days of being assigned to the position, unless the employee was placed upon the position directly upon recall from layoff.

(See Appendix IX)

23.13 If a vacancy or new position of expected duration of 90 calendar days or more requiring additional staff is not filled by an employee in the classification at a home

seniority terminal, it shall be bulletined for not less than 7 calendar days, firstly, to the employees holding seniority in the classification in the trade on the basic seniority territory and, secondly, to such employees on the Region. Subject to qualifications, seniority will govern.

A running point employee who bids on a position at a main shop in accordance with this Rule 23.13 and is delayed in transferring to the main shop for a period of thirty days or more shall, on transferring to the main shop, be entitled to exercise seniority on any position bulletined within the main shop during such delay.

Employees who transfer under this Rule 23.13 shall, after 90 calendar days forfeit their seniority at the seniority terminal from which transferred and shall carry their seniority rights to the new seniority terminal; except that employees on laid-off status at their home seniority terminal may exercise their rights under this Rule 23.13 without forfeiting their seniority at their home seniority terminal. The Regional Vice-President shall receive a copy of all such bulletins.

For the purpose of this Rule 23.13 the number of employees to be transferred and the method to be used shall be mutually arranged between the proper officer of the Railway and the Regional Vice-President in order to meet the requirements of the Railway service.

(See Appendices II and IX)

In the application of Rule 23.28 to Rule 23.13, it shall be incumbent on employees, on annual vacation, leave of absence or absence because of illness or injury to notify the proper officer of the Company along with the duly authorized representative in writing, of their interest in any such position which is bulletined under Rule 23.13. These applications must be renewed by the employee every twelve months. Employees who have made their intentions known to both parties and are absent from duty for any of the above reasons may have an application submitted on their behalf by the duly authorized Union representative. The Company and the Union will make arrangements to fill vacancies during the interim if necessary. This paragraph does not apply to bulletins issued solely between (two) 2 seniority terminals in the same metropolitan area.

23.14 The exercising of seniority within a seniority terminal to displace a junior employee shall not be permitted except when positions are abolished, or rate of pay or hours of work or days off are changed.

The affected employees shall have the right to displace the junior employee in the designated work area of their choice with the shift, days off, hours of work and rate of pay of their choice except as may be provided in the Trade Special Rules. Apprentices shall be considered to be in the same Classification as mechanics for the purposes of determining who is the Junior Employee.

For the purpose of this Rule 23.14 the designated work area shall be as defined in bulletining positions in accordance with Rule 23.11.

Such employees initially affected shall be given, during their regular working hours, as much advance notice as possible but, in any event, not less than forty eight hours. The affected employees shall make their intentions known within forty-eight hours of notification and subsequent displacement shall be made without undue delay. The Local Committee shall be consulted.

23.15 When it becomes necessary to layoff employees for any reason, the force shall be reduced in reverse seniority order as per Rule 23.3 (a) unless otherwise provided in the Trade Special Rules.

23.16 When it becomes necessary to make a reduction in staff at any seniority terminal, at least 4 working days' notice shall be given the employees affected before reduction is made, and lists shall be furnished to the Local Committee and Regional Vice-President.

This does not apply in laying off persons who have been temporarily employed for a duration of less than 65 working days to meet special requirements. In the event that a strike or work stoppage by employees in the Railway industry is called on less than 4 days' advance notice, a shorter notice may be given under this Rule 23.16. In reducing forces, Apprentices shall be laid off before mechanics are laid off at the same seniority terminal, providing the mechanic's seniority date is senior to the Apprentice's Apprentice seniority date.

(See Appendix II)

23.17 (a) Employees laid off from their seniority terminal may, within 30 calendar days displace the junior employee in their respective classification on the Plan's Eligibility Territory (defined in Appendix "B" of the Employment Security and Income Maintenance Plan) carrying their seniority in that classification with them, except as may be provided in the respective Trade Special Rules. Laid-off employees who decline to exercise this right shall be subject to recall to their home seniority terminal. Apprentices shall be considered to be in the same Classification as mechanics for the purposes of determining who is the Junior Employee.

Employees will not be entitled to exercise their rights under 23.17 (b) until they have complied with this provision, 23.17 (a).

(b) When layoffs occur, employees laid off from their respective classification at their seniority terminal, may, within 30 calendar days, displace the junior employee in their respective classification on the basic seniority territory carrying their seniority in that classification with them, except as may be provided in the Trade Special Rules. Employees who decline to displace the junior employee in their respective classification on their basic seniority territory under this Rule 23.17, shall be laid off subject to recall to their home seniority terminal. Apprentices shall be considered to be in the same classification as mechanics for the purposes of determining who is the Junior Employee.

(See Appendix VI)

23.18 After employees have complied with Rule 23.17, and have not taken laid-off

status, they may, within 30 calendar days, as mentioned in Rule 23.17 displace the junior employee in their respective classification on their Region, carrying their seniority in that classification with them, or accept layoff with recall rights, except as may be provided in the Trade Special Rules. Apprentices shall be considered to be in the same Classification as Mechanics for the purposes of determining who is the junior employee.

23.19 Employees who transfer in accordance with Rules 23.17 and 23.18 shall hold seniority rights at only two seniority terminals on their basic seniority territory or Region, that is, at their home seniority terminal and at the seniority terminal to which they last transferred, except as provided in Rule 23.20.

23.20 Laid-off employees who displace another employee on their basic seniority territory or Region, shall retain their seniority rights at their home seniority terminal in accordance with Rules 23.17 and 23.18 and shall be subject to recall to their home seniority terminal in seniority order for vacancies of expected duration of 90 calendar days or more. Employees who decline to accept such recall within 7 calendar days shall forfeit their seniority rights at their home seniority terminal and shall retain their seniority rights at their new seniority terminal. Employees who accept recall to their home seniority terminal within 7 calendar days will return thereto within 15 calendar days from the date of their acceptance.

23.21 Where employees are on leave of absence, annual vacation, or absent because of illness or injury, the periods prescribed in Rules 23.17, 23.18 and 23.20, shall begin on the date of their return to service.

23.22 In the restoration of forces, employees laid off shall be given preference of re-employment in seniority order. Laid-off employees shall be notified by registered mail at their last known address and they shall be returned to their former classification. Local Committees shall be furnished with a list of those to be restored to service.

23.23 It shall be incumbent upon employees on layoff, and the employees who have been displaced on their basic seniority territory or Region in accordance with Rules 23.17 and 23.18, to register their current address with the appropriate officer at their home seniority terminal.

23.24 Laid-off employees who have not displaced in accordance with Rules 23.17 and 23.18 shall retain their seniority rights in their respective classification at their home seniority terminal and shall be subject to recall to their home seniority terminal in seniority order. Employees shall, at the end of 7 calendar days, unless satisfactory reason is given therefor, forfeit their seniority rights in the classification to which recalled at their home seniority terminal if they decline to accept recall to vacancies of an expected duration of 90 calendar days or more.

23.25 Effective August 21, 1997, laid off employees who have exhausted their benefit entitlements under the E.S.I.M.A., or, who have not been recalled from laid off status for a period of 2 calendar years whichever comes later will have their names removed from the seniority list.

23.26 When through an unusual development it becomes necessary to transfer work from a seniority terminal, Area (Division) or Region, to another seniority terminal, Area (Division) or Region, not more than a sufficient number of employees to perform such work shall, in seniority order be given the opportunity to transfer, carrying their seniority rights with them. The proper officer of the Railway and the Regional Vice-President shall cooperate to determine the number of employees who shall transfer.

Employees who transfer, under this Rule 23.26, shall after 90 calendar days lose their seniority at the seniority terminal they left.

23.27 (a) The name of employees holding seniority under this Agreement

(i) who were filling an official or excepted position with the Company prior to June 14, 1995, will be continued on the seniority list and shall continue to accumulate seniority until June 30, 1996. Following this period, such employee shall no longer accumulate seniority but shall retain the seniority rights already accumulated up to the date their seniority is frozen.

(ii) who, on or after June 14, 1995, will fill official or excepted positions with the Company will be continued on the seniority list and shall continue to accumulate seniority for a period of one year after the date of appointment. Following this period, such employee shall no longer accumulate seniority but shall retain the seniority rights already accumulated up to the date their seniority is frozen. The appropriate Regional Vice-President shall be advised.

(iii) who are temporarily promoted to an official or excepted position will continue to accumulate seniority during the period of time they are temporarily promoted.

(b) (i) If released from the official or excepted position, such employees must within thirty days after such release exercise their seniority

(1) to displace the junior employee on their basic seniority territory;
or

(2) to a vacancy or newly created position at their home seniority terminal.

If they fail to do so they shall forfeit their seniority. The appropriate Regional Vice-President of the Union shall be advised.

(ii) If the assignment is temporary, such employees will, within seven days of release from such temporary position, exercise their seniority at their home seniority terminal. The appropriate Company officer shall advise the local representative of the Union of such promotions, including the expected duration thereof.

23.28 For employees on leave of absence, annual vacation or absence because of illness or injury, the time limits specified in this Rule 23 shall begin on the date of the

employees' return to service.

23.29 An employee claiming a position in the exercise of seniority, who in the judgment of the Company cannot reasonably be expected to qualify to perform the duties required within a period of 30 calendar days or less, shall not be denied such position by Management without prior consultation with the local representative.

Employees exercising seniority, who, in the judgment of the Company can reasonably be expected to qualify for the position claimed, shall be allowed a trial period which shall not exceed 30 calendar days, except that by mutual agreement between the Regional Vice-President and the proper officer of the Company, such period may be extended up to 90 calendar days, in order to demonstrate their ability to perform the work required.

During such trial period the Company shall provide reasonable appropriate training. Such training may be terminated where the employee does not demonstrate sufficient progress or aptitude to successfully complete the training. Where it is required to change the employee's hours of work in order to provide such training the employee shall receive three calendar days advanced notice, except in cases of unforeseen circumstances beyond the control of the Company the notice period may be reduced to not less than twenty-four hours notice, in which case the provisions of Rule 5.15 will not apply. The provisions of this paragraph on training do not apply to exercises of seniority (claim or displace) to positions under Rule 23.12.

Should an employee be denied a position being claimed in the exercise of seniority, or should the employee fail to qualify during a trial period, the employee and the authorized representative will be entitled to receive an explanation in writing from the proper officer of the Company, including the reason for the decision rendered, which shall be subject to appeal in accordance with the grievance procedure.

When an employee is disqualified from holding a position at any time during the specified trial period, such employee will be returned to the employee's former position, but if it has been abolished in the interim the employee must displace under the provisions of the second paragraph of Rule 23.14. This will not necessitate additional bulletins.

23.30 An employee with more than 65 working days cumulative service shall not be discharged without being given a proper investigation.

23.31 The present seniority territories shall not be changed except by mutual agreement between the Railway and the President of Local 100.

RULE 24

Assignment of Work

24.1 Mechanics or Apprentices regularly employed as such shall do mechanics' work as per special rules of the trade, or as otherwise provided for in the Trades

Modernization Agreement (Appendix X), or Appendix XIV.

RULE 25

Labourers Performing Helpers' Work

25.1 Labourers, or similar class of worker, shall not be permitted to do helpers' work as outlined in Trade Rules if regular helpers are available but if so used one hour or more shall be paid at helpers' rate for all work performed as helpers.

RULE 26

Temporary Supervisor

26.1 Should an employee undertake temporarily to fill the place of a supervisor that employee will be paid the rate and work under the conditions applying to the position. Such employees will not conduct investigations.

RULE 27

Investigations and Grievance Procedure

Investigation procedure

27.1 Except as otherwise provided herein, no employees shall be disciplined or discharged until they have had a fair and impartial investigation and their responsibility established. When an employee is held out of service pending such investigation, the investigation shall not be unduly delayed.

(Rule 27.1 is Amended by Appendix III)

27.2 Except as otherwise provided in this Rule, when an investigation is to be held, the employee will be given at least one day's notice of the investigation and will be notified of the time, place and subject matter of such investigation. This shall not be construed to mean that the proper officer of the Company, who may be on the ground when the cause for such investigation occurs, shall be prevented from holding an immediate investigation.

When employees are required to make statements on matters affecting the Agreement, Company working rules or compensation, a duly authorized representative of the employee shall be present except that when employees are required to make statements on matters not affecting the Agreement, Company working rules or compensation, the employee may have a fellow employee or an accredited representative of the Union present.

Copies of statements, stenographic reports and all other evidence taken shall, if requested, be furnished to the employee and, if present, to the authorized representative.

(Rule 27.2 is Amended by Appendix III)

27.3 An employee will not be held out of service unnecessarily pending the rendering of a decision. The decision will be rendered as soon as possible but not later than 28 calendar days from the date the investigation is completed unless otherwise mutually agreed.

27.4 When discipline is recorded against an employee the employee will be advised in writing. In the event a decision is considered unjust, an appeal against dismissal, suspension, demerit marks in excess of 30 and restrictions may be initiated at Step III of the grievance procedure. All other appeals against discipline imposed shall be initiated at Step I of the grievance procedure.

27.5 If it is found that an employee has been unjustly suspended or discharged such employee shall be reinstated with full pay for all time lost. In the event of an employee being otherwise employed pending settlement of the employee's case by reinstatement any pay earned will be credited against time lost.

Grievance Procedure

27.6 Should employees subject to this Agreement believe they have been unjustly dealt with, or that any of the provisions of this Agreement have been violated, they shall present their alleged grievance to their immediate supervisor for adjustment. If not so adjusted, and they wish to have the matter progressed, they shall present it in writing to the authorized Local Union Representative(s) within 20 calendar days from the date of the alleged grievance, outlining all pertinent details and the date of the alleged grievance.

27.7

Step I

Within thirty-five (35) calendar days from the date of the alleged grievance, the authorized Local Union representative(s) may progress the grievance in writing outlining all pertinent details and date of grievance to the designated Railway Officers as follows:

Line Points on Districts:	Authorized Local Union Representative to: Supervisor.
Main Shops:	Transcona
	Authorized Local Union Representative to:
	Assistant Superintendent Motive Power or
	Superintendent Car Department.

A decision shall be rendered in writing within twenty-eight (28) calendar days from date of receipt of the grievance and a copy will be furnished to the employee and the authorized Union representative.

Step II

Within twenty-eight (28) calendar days following receipt of the decision under Step I, the Local Chairperson or Regional Vice-President may appeal the decision in

writing to the designated Railway Officers as follows:

Line Points on Districts: Local Chairperson or Regional Vice-President to :
District Superintendent - Motive Power; or District
Superintendent -Car; or District Superintendent
-Equipment; or District Engineer.

Main Shops: Transcona
Local Chairperson or Regional Vice-President to:
Superintendent Motive Power or Car Equipment.

A decision shall be rendered in writing within twenty-eight (28) calendar days of receipt of the grievance.

Step III

Within twenty-eight (28) calendar days following receipt of the decision under Step II the System General Chairperson or the General Chairperson may appeal the decision in writing to the designated Railway Officer as follows:

Line Points on Regional Vice-President to:
Districts: Senior Vice-President CN East, or;
Senior Vice-President CN West.

Main Shops: Transcona
Regional Vice-President or President
Local 100 to:
Chief Mechanical Officer or such other
officer as may be designated.

Where the appeal concerns the interpretation or alleged violation of the collective agreement, the appeal shall identify the Rule(s) and clause of the Rule(s) or Appendix involved. The appeal shall be accompanied by a copy of the Company's decision rendered at Step II of the grievance procedure.

A decision shall be rendered in writing within twenty-eight (28) calendar days of receipt of the grievance.

NOTE 1: Each party will notify the other of any changes in designated officers.

NOTE 2: All grievances and responses, at all steps of the grievance procedure must be submitted in writing. Verbal or "email" grievances, not submitted in written form shall not be considered as having been properly transmitted, and therefore may, unless remedied, trigger the provisions of Rule 27.9.

27.8 Upon request from either party reasonable effort will be made to have meetings held within the allotted times.

27.9 A grievance not progressed within the time limits specified shall be dropped and shall not be subject to further appeal. Where, in the case of a grievance based only on a time claim, a decision is not rendered by the designated officer of the Company at Steps I, II or III within the time limits specified in such steps, the time claim will be paid. Payment under such circumstances shall not constitute a precedent, or waiver of the contentions of the Company in that case or in respect of other similar claims.

27.10 The time limits specified in Steps I, II and III may be extended by mutual agreement between the parties referred to in each such step.

27.11 All conferences between Company officials and authorized Local Union Representatives will be held by appointment and concluded during

regular working hours without loss of earnings to committee member.

27.12 The Company will not discriminate against any employees who, as authorized Local Union Representatives, from time to time, represent other employees and will grant them leave of absence and free transportation over the Company's lines when delegated to represent other employees.

27.13 If an authorized Union Representative should consider that a provision of this Agreement has been violated, that representative may initiate a grievance, which shall be processed in accordance with the foregoing provisions of this Rule 27.

RULE 28

Final Disposition of Grievances

28.1 A grievance concerning the interpretation or alleged violation of this Agreement, or an appeal by employees that they have been unjustly disciplined or discharged, and which is not settled through the grievance procedure may be referred by either the Headquarters Labour Relations Department, Canadian National Railway Company or the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW - CANADA) Local 100 herein defined as the parties to a single arbitrator for final and binding settlement without stoppage of work.

28.2 The party requesting arbitration must so notify the other party in writing within sixty (60) calendar days following the date the decision was rendered at the last step of the grievance procedure.

28.3 Within forty-five (45) calendar days of date of receipt of a request for arbitration the parties shall endeavour to agree on the name of the arbitrator. If agreement is not then reached, the party requesting arbitration may then request the Minister of Labour to appoint an arbitrator and advise the other party accordingly. Such request to the Minister of Labour must be made no later than fourteen (14) calendar days following the 45-day period referred to in this paragraph.

28.4 A Joint Statement of Issue containing the facts of the dispute and reference to the specific provision or provisions of the Collective Agreement allegedly violated, shall be jointly submitted to the Arbitrator in advance of the date of the hearing. In the event the parties cannot agree

upon such Joint Statement of Issue, each party shall submit a separate statement to the Arbitrator in advance of the date of the hearing and shall at the same time give a copy of such statement to the other party.

28.5 The hearing shall be held by the Arbitrator in the office of the Railway unless otherwise mutually arranged, or unless the Arbitrator deems it advisable because of special circumstances to hold the hearings elsewhere.

28.6 At the hearing before the Arbitrator, argument may be given orally and/or in writing, and each party may call such witnesses as it deems necessary.

28.7 Disputes arising out of proposed changes in rates of pay, work hours and conditions of service, modifications or additions to this Collective Agreement, are specifically excluded from the jurisdiction of the Arbitrator, and the decision of the Arbitrator shall not in any case add to, subtract from, modify, rescind or disregard any provision of this Collective Agreement.

Such decision shall be rendered, in writing, together with the arbitrators written reasons therefor, to the parties concerned within 30 calendar days following the conclusion of the hearing unless this time is extended with the concurrence of the parties to the dispute.

28.8 Each party shall respectively bear any expenses each has incurred in the presentation of the case to the Arbitrator but any general or common expenses, including the remuneration and expenses of the Arbitrator, shall be divided equally.

28.9 The time limits as provided in this Rule 28, may be extended by mutual agreement between the parties.

28.10 Prior to adjudication or final disposition of grievances by the highest designated authorities as herein provided, and while questions of grievances are pending there will be neither a shut down by the employer nor a suspension of work by the employees.

RULE 29

Jury Duty

29.1 Employees who are summoned for jury duty and are required to lose time from their assignment as a result thereof, shall be paid for actual time lost with a maximum of one basic day's pay at the straight time rate of their position for each day lost, less the amount allowed them for jury duty for each such day, excluding allowances paid by the court for meals, lodging or transportation, subject to the following requirements and limitations:

(a) an employee must furnish the Company with a statement from the court of jury allowances paid and the days on which jury duty was performed.

(b) The number of working days for which jury duty pay shall be paid is limited to a maximum of sixty (60) days in any calendar year.

(c) No jury duty pay will be allowed for any day for which the employee is entitled to vacation or general holiday pay. Employees who have been allotted their vacation dates will not be required to change their vacation because they are called for jury duty.

(d) Notwithstanding the provisions contained in the last sentence of paragraph (c) above an employee's annual vacation will, if the employee so requests, be rescheduled if it falls during a period of jury duty.

RULE 30

Apprenticeship

30.1 Employees promoted or hired into the apprenticeship program must be able to speak, read and write one of the official languages of Canada. They must be able to successfully pass Company entrance examinations, including a mechanical aptitude test and a suitable mathematical examination.

30.2 Except as otherwise provided, regular apprenticeship towards a Heavy Duty Mechanic, Car Mechanic, or Electrician shall be four (4) years, made up of eight (8) terms of 960 hours each or a total of 7, 680 hours. Provided that other entrance requirements are met, applicants who have successfully completed training courses in recognized schools or institutes, or regular Apprentices who on their own time successfully complete courses in outside related training programs during their apprenticeship may serve a reduced apprenticeship, if such training is equivalent to the

training received in the trade under the Company apprenticeship program. The proper officer of the Company in consultation with the President of Local 100 shall determine if such training is equivalent or comparable, but in no case shall the reduction in the length of apprenticeship exceed a total of one (1) year.

30.3 Apprentices given credit for technical training under the provision(s) of Rule 30.2 shall have their rates and terms adjusted in accordance with the credit allowed for such outside training.

30.4 The opportunity shall be provided for the Apprentice to secure a complete knowledge of the trade as per the agreed upon apprenticeship training program. Such apprenticeship program shall not alter the jurisdictional understanding as per Rule 54.1.

30.5 Apprentices must throughout the apprenticeship continue to display the desire and aptitude to learn the trade or they will not be retained in the service except as may be otherwise mutually agreed.

30.6 Seniority of Apprentices shall, except as otherwise provided herein, be confined to the home seniority terminal and shall be established as of their entry date into the classification of Apprentice following their last date of entry into the service of the Company. Seniority lists will be prepared for Apprentices.

30.7 On completion of apprenticeship, they shall be paid the basic rate of pay established for fully qualified mechanics, and they shall receive a certificate stating that they have successfully completed their apprenticeship.

30.8 Apprentices shall, upon completion of their apprenticeship, be placed on the permanent seniority list of their respective trade at their home seniority terminal and shall be credited with seniority as of their entry date into the classification of Apprentice following their last date of entry into the service of the Company.

At the time an apprentice's name is placed on the respective Mechanics' seniority list, it shall be removed from the seniority lists of any lower classifications with the trade.

30.9 Employees hired or transferred into one of the Mechanic's trades

will, when mutually agreed upon between the proper officer of the Company and the Regional Vice-President, be subjected to such additional entrance requirements as may be necessary to ensure their suitability for advancement to an apprenticeship.

30.10 Apprentices may be required when necessary or desirable to work on various job assignments including those at other work locations within their seniority terminal, basic seniority territory or region.

30.11 In order to facilitate the rotation of Apprentices through the various training activities included in the apprenticeship program, the Company will identify an appropriate number and mix of positions which will be filled by Apprentices. This number and mix of positions will vary from location to location and from time to time as training requirements change. Apprentices will be assigned to these positions as required to complete their Apprentice training. Such positions will not be subject to the provisions of Rule 23 except as provided in the Notes to Rule 30.11 and 30.19. Ongoing consultation between the proper officer of the Company and the Local Chairperson will take place with respect to the identification and filling of positions referred to in this Rule 30.11. Additionally the two parties will cooperate generally to ensure that Apprentices are not assigned to work activities for which they are not sufficiently qualified. An Apprentice shall not be assigned to a Leading Hand position nor be assigned to work alone at a One Car Mechanic Point.

Note 1: The junior Apprentice at a seniority terminal may be displaced by the junior Mechanic in the same trade in active service who would otherwise be laid off at the same seniority terminal providing the Mechanic's seniority date is senior to the Apprentice's Apprentice seniority date. This note shall not apply at a seniority terminal where there are already more senior Mechanics laid off.

Note 2: The junior Apprentice on an Employment Security and Income Maintenance Plan Eligibility Territory may be displaced by the junior Mechanic in the same trade in active service who would otherwise be laid off on the same Plan Eligibility Territory. However, the Mechanic may not displace any Apprentice under this note 2 at terminals where there are Mechanics already laid off. The principles of this note will also apply where a Mechanic wishes to displace the junior Apprentice on the same Basic Seniority Territory, or the same Region, or any other seniority territory not covered by Note 1 above. In the application of this Note 2, the Mechanic's

seniority date must be senior to the Apprentice's Apprentice seniority date.

30.12 Apprentices promoted from job classifications under the jurisdiction of the Mechanic's trade will have their names continued on the seniority list(s) from which promoted, until they have qualified as fully qualified Mechanics and have established a seniority date on the permanent regular Mechanic's list, under the provisions of this Rule 30.

30.13 Other employees hired as Apprentices who have successfully passed the entrance tests outlined in Rule 30.1 will also have their names entered on the seniority list of Helpers in the trade at the seniority terminal employed consistent with their seniority as an Apprentice.

30.14 Apprentices shall only be permitted to exercise their seniority as defined in this Rule 30.14. Apprentices laid off at their seniority terminal may at their option:

(i) Exercise their seniority as an Apprentice under the provisions of Rules 23.17 and 23.18 except that they will not be permitted to displace the junior Apprentice when such employee is senior as a helper, or

(ii) Exercise their seniority in any lower classification as per the intent of Rule 23.14.

Exception:

By mutual agreement between the Regional Vice-President and the proper officer of the Company, Apprentices may be allowed on compassionate grounds (i.e., illness, pregnancy) to exercise their seniority in the lower classification(s) under the terms of Rule 23.14. The Company will respect an apprentice's seniority standing to the largest extent possible in the assignment of shifts and days off. This will include acceptance of an apprentice's application for vacancies under Rules 23.11 and 23.12 of this Agreement, also Rule 23.13 within the same Metropolitan Area. The provisions of this sub-paragraph will not apply when an Apprentice is in the formal part of the program.

30.15 By mutual agreement between the proper officer of the Company and the Regional Vice-President, Apprentices may at any time during their apprenticeship be permitted to transfer to any location on their Region with a view to remaining at that location on completion of their apprenticeship.

30.16 Should Apprentices, due to the exercise of seniority under Rule 23.17 or 23.18, be assigned to a seniority terminal other than their home seniority terminal at the time they gain status as a fully qualified Mechanic in their trade, their names will be placed on the Mechanic's permanent seniority list in accordance with Rule 30 at both such terminals. Such an employee will then be subject to the terms of Rules 23.19 and 23.20 as a Mechanic.

30.17 Employees who hold seniority in more than one classification within the Mechanic trade classifications, and who transfers from one seniority terminal to another will carry their seniority in each such classification with them.

30.18 Employees who hold seniority in more than one classification will lose their seniority in all such classifications if, for any reason, they forfeit their seniority in one of those classifications.

30.19 Apprentices shall be permitted, on completion of their apprenticeship, to exercise their seniority at their home seniority terminal to displace a junior Mechanic in their trade in accordance with the provisions of Rule 23.14 unless they have previously acquired a position pursuant to Rule 23.11, 23.12 or 23.13.

Note 1: Graduating Apprentices covered by Rule 30.19 at a seniority terminal where a senior Mechanic in their trade is on laid off status, will be immediately laid off at their seniority terminal without further notice under Rule 23.16 and will be governed by Rules 23.17 and 23.18. In the application of this Note the Mechanic's seniority date must be senior to the Apprentice's Apprentice seniority date.

30.20 Following completion of the apprenticeship, should an employee be the senior applicant for a position bulletined under Rule 23.11 and requires additional training, such employee on displaying the necessary aptitude and desire to learn will be given the opportunity to learn the job requirements of the new position. **(See Appendix XI)**

30.21 When Apprentices are required for training purposes to work temporarily away from their home location, they will be provided with transportation by the Company or be compensated for the use of their private automobile in accordance with Rule 38 of this Agreement. Time will be paid for travel during regular working hours on regular working days.

When meals and lodging are not provided by the Company, the Apprentice will be reimbursed actual reasonable expenses necessarily incurred.

30.22 Apprentices serving a four-year apprenticeship shall be paid as follows:

RATES OF PAY EFFECTIVE

	Jan. 1/1997	Jan. 1/1998	Jan. 1/1999	Jan. 1/2000
	(per hour)	(per hour)	(per hour)	(per hour)
	\$	\$	\$	\$
1st term (1 to 960 hours inc.)	16.052	16.373	16.700	17.034
2nd term (961 to 1920)	16.339	16.666	16.999	17.339
3rd term (1921 to 2880)	16.746	17.081	17.423	17.771
4th term (2881 to 3840)	17.092	17.434	17.783	18.139
5th term (3841 to 4800)	17.441	17.790	18.146	18.509
6th term (4801 to 5760)	17.786	18.142	18.505	18.875
7th term (5761 to 6720)	18.134	18.497	18.867	19.244
8th term (6721 to 7680)	18.566	18.937	19.316	19.702

RULE 31

Hourly Rates of Pay and Shift Differentials

31.1 (a) Class of Employee

Classification	RATES OF PAY EFFECTIVE			
	Jan. 1/1997 (per hour)	Jan. 1/1998 (per hour)	Jan. 1/1999 (per hour)	Jan. 1/2000 (per hour)
	\$	\$	\$	\$
Lead Hand	20.100	20.502	20.912	21.330
Layout Mechanic and Markers Off	20.100	20.502	20.912	21.330
Mechanics (formerly Carmen, Electricians, Machinists)	19.756	20.151	20.554	20.965
Crane Operators	18.731	19.106	19.488	19.878
Trainee Mechanics (Rule 31.4 (a))	18.206	18.570	18.941	19.320
Helpers	16.572	16.903	17.241	17.586
Lead Hand Coach Cleaners	15.811	16.127	16.450	16.779
Coach Cleaners	15.470	15.779	16.095	16.417

Note: The Union signatory hereto agreed, effective January 1, 1990, to forego an increase of 1% in all basic hourly, daily, and weekly rates of pay as the employees' share of the cost of pension indexing as provided for in the Memorandum of Settlement dated July 20, 1989. (i.e. a 5% wage increase minus the 1% referred to, equalled the 4% increase applied to all basic rates of pay effective January 1, 1990.)

31.1 (b) **Starting Rates**

(i) Employees entering the service prior to March 1, 1988, are subject to the rates of pay and the rules and practices related thereto. Employees entering the service as Apprentices or Trainee Mechanics will be compensated in accordance with the provisions of this paragraph (i).

(ii) Except as provided in paragraph (i) above, employees entering the service on or after March 1, 1988 will be compensated as follows:

RATES OF PAY EFFECTIVE

Classification	Jan. 1/1997	Jan. 1/1998	Jan. 1/1999	Jan. 1/2000
	(per hour) \$	(per hour) \$	(per hour) \$	(per hour) \$
Lead Hand				
0 to 7 months of CCS*	17.255	17.600	17.952	18.311
8 to 14 months of CCS	18.204	18.568	18.939	19.318
15 to 21 months of CCS	19.152	19.535	19.926	20.325
Thereafter	20.100	20.502	20.912	21.330
Layout Mechanic and Markers Off				
0 to 7 months of CCS*	17.255	17.600	17.952	18.311
8 to 14 months of CCS	18.204	18.568	18.939	19.318
15 to 21 months of CCS	19.152	19.535	19.926	20.325
Thereafter	20.100	20.502	20.912	21.330
Mechanics (formerly Carmen, Electricians, Machinists)				
0 to 7 months of CCS*	16.964	17.303	17.649	18.002
8 to 14 months of CCS	17.894	18.252	18.617	18.989
15 to 21 months of CCS	18.826	19.203	19.587	19.979
Thereafter	19.756	20.151	20.554	20.965
Crane Operators				
0 to 7 months of CCS*	16.092	16.414	16.742	17.077
8 to 14 months of CCS	16.972	17.311	17.657	18.010
15 to 21 months of CCS	17.851	18.208	18.572	18.943
Thereafter	18.731	19.106	19.488	19.878

Trainee Mechanics (Rule 31.4 (a))

0 to 7 months of CCS*	15.646	15.959	16.278	16.604
8 to 14 months of CCS	16.499	16.829	17.166	17.509
15 to 21 months of CCS	17.353	17.700	18.054	18.415
Thereafter	18.206	18.570	18.941	19.320

Helpers

0 to 7 months of CCS*	14.257	14.542	14.833	15.130
8 to 14 months of CCS	15.028	15.329	15.636	15.949
15 to 21 months of CCS	15.801	16.117	16.439	16.768
Thereafter	16.572	16.903	17.241	17.586

Lead Hand Coach Cleaners

0 to 7 months of CCS*	13.609	13.881	14.159	14.442
8 to 14 months of CCS	14.343	14.630	14.923	15.221
15 to 21 months of CCS	15.077	15.379	15.687	16.001
Thereafter	15.811	16.127	16.450	16.779

Coach Cleaners

0 to 7 months of CCS*	13.320	13.586	13.858	14.135
8 to 14 months of CCS	14.037	14.318	14.604	14.896
15 to 21 months of CCS	14.754	15.049	15.350	15.657
Thereafter	15.470	15.779	16.095	16.417

Note: Employee movement between trade classifications does not affect the calculation of cumulative compensated service under this Rule 31.

31.2 Car Mechanics will be paid the basic mechanic's rate when operating wrecking cranes.

31.3 Mechanics actually welding on rolling stock or locomotives shall be paid the basic mechanic's rate.

31.4 (a) Effective January 1, 1968, a helper who is promoted in the trade for the first time to a mechanic's position shall until qualified for a higher rate under the terms of this Agreement be paid at the trainee mechanic's rates as shown in Rule 31.1 except as otherwise provided for in the Trade Special Rules. Employees covered by Rule 23.10 (b) shall be paid at the trainee mechanic's rate.

(b) Employees governed by Rules 23.9 (a) and 23.9 (b) shall be paid the full rate of the mechanic's position occupied.

31.5 Except as otherwise provided in Rule 31.1, other leading hands will receive an hourly rate calculated on the basis that a 10-cent per hour differential was included in the basic rate of pay in effect January 1, 1973.

31.6 Employees assigned to operate tractors and portable cranes, such as the Elwell Parker, Ransome-Rapier, and other portable cranes of a similar nature, in the Motive Power and Car Departments, when and where there is sufficient work to require that an employee be assigned for the purpose, will be paid at the established helpers' rate for the class of helper used.

31.7 Mechanics regularly assigned as markers off or layout Mechanics shall be paid as per Rule 31.1.

Shift Differentials

31.9 Employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of forty five cents (45¢) per hour and employees whose regularly assigned

shifts commence between 2200 and 0559 hours shall receive a shift differential of fifty cents (50¢) per hour.

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

RULE 32

Conditions of Shops etc.

32.1 Good drinking water and ice where required will be furnished. Sanitary drinking fountains will be provided where necessary. Pits and floors, lockers, toilet and washrooms will be kept in good repair and in a clean, dry and sanitary condition.

32.2 Shops, locker rooms and washrooms will be lighted and heated in the best manner possible consistent with the source of heat and light available at the point in question.

RULE 33

Personal Injuries

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

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

RULE 34

Bulletin Boards

34.1 A place will be provided at all shops where proper notices of direct interest to employees may be posted by shop committees.

RULE 35

Safety and Health

35.1 The Company and Union are committed to creating and maintaining a safe and healthy place to work. To promote this objective, a Master Joint Committee on Safety and Health will be established consisting of three representatives of the CAW and three representatives of the Company.

The mandate of the Master Committee shall be as follows:

(a) Meet twice a year or more often if either party deems additional meetings to be necessary, at mutually agreeable times and places. A summary listing of the items discussed at the meeting, including a written response, will be provided.

(b) Before the Company finalizes Safety and Health policies, the Union members of the Committee will be given an opportunity to have input and make recommendations. The Safety and Health programs that are established under the Company's policy and how these programs will apply to employees covered by this collective agreement will be mutually agreed between the Union and the Company Committee members.

(c) To establish and promote an appropriate training program for the members of the Safety and Health Committees and Safety Representatives. The Master Safety and Health Committee may participate in such training or instruction programs as it deems necessary.

(d) Review problems concerning serious or unusual situations relating to the safety and health

of employees covered under this collective agreement as identified on behalf of CAW-Canada by the National Health and Safety Legislative Coordinator and take necessary and appropriate steps to eliminate or minimize these problems.

(e) Review analyzed statistical safety and health data for all work places, of employees covered by this collective agreement and agree upon appropriate action.

(f) The Committee members shall participate in a spirit of cooperation and to the betterment of safety and health of the employees in the workplace, and take all reasonable measures within their powers to reach agreement on items before them. Where agreement has been reached on items before the Committee, they shall be implemented within an agreed upon time.

RULE 36

Free Transportation

36.1 Employees covered by this Agreement, and those dependent upon them for support, will be given the same consideration in granting free transportation as is granted other employees in service. This does not refer to special free transportation which may be issued to employees in train service on account of the necessary requirements of that service.

36.2 Union representatives representing employees covered by this Agreement will be granted the same consideration as is granted Union Representatives representing employees in other branches of the service.

RULE 37

Protection of Employees

37.1 Employees will not be required to work on engines or cars outside of shops during inclement

weather, if shop room and pits are available. This does not apply to work in engine cabs or emergency work on engines or cars set out, or attached to trains.

37.2 When it is necessary to make repairs, parts of engines, boilers, tanks and tank cars shall be cleaned before mechanics are required to work on same. This will apply to cars undergoing general repairs. Tanks and tank cars will be purged when required by regulation.

37.3 Employees will not be required to expose themselves to sand blast and paint blowers while in operation. Employees operating these machines will be supplied with appropriate safety equipment.

37.4 All acetylene or electric welding or cutting will be protected by a suitable screen when its use is required.

37.5 Emery wheels and grindstones installed in the shop will be kept true and in order.

37.6 (a) Air hammers, jacks, and all other power driven machinery and tools, operated by Mechanics or their Apprentices will be furnished by the Company and maintained in safe working condition.

(b) Crayons, soapstones, marking pencils, tool handles, saw-files, motor bits, augers, cold chisels, bars, steel wrenches, steel sledges, hammers (not claw hammers), reamers, drills, taps, dies, lettering and striping pencils and brushes will be furnished by the Company.

(c) Mechanics shall not be required to go out on track motor cars for road repair work unless car is in charge of a qualified operator.

37.7 Employees engaged in the handling of storage batteries and mixing acid must be provided with acid proof rubber gloves, hip boots and aprons. Employees who clean parts in lye vats will be supplied with gloves.

37.8 When it becomes necessary to work on live wires or apparatus in excess of 300 volts electrician or

lineman shall not work alone. Where practicable two qualified electrical workers shall work together. Rubber gloves, splicing hoods and other protective mats and sticks shall be supplied.

RULE 38

Use of Private Automobile

38.1 Where an automobile mileage allowance is paid, such allowance shall be twenty-eight cents (28¢) per kilometer.

RULE 39

Additional Help

39.1 Mechanics and Apprentices will be furnished sufficient competent help, when needed to handle work, if available. When experienced helpers are available they will be employed in preference to inexperienced helpers.

39.2 Material carriers responsible for the selection of special materials for mechanics' use will be classified as helpers and receive minimum helpers' rate at point employed.

RULE 40

Scrapping Work

40.1 Work of scrapping engines, boilers, tanks and cars or other machinery will be done by crews under the direction of a mechanic. Torch work as now performed by mechanics shall continue to be so performed.

RULE 41

Signal Protection

41.1 No employee will be required to work on a locomotive or car outside of shops without being protected by proper signals. Where the nature of the work to be done requires it, locomotives or passenger cars will be placed over a pit, if available.

RULE 42

Exhausting of Steam and Fumes From Locomotives

42.1 In shops not now equipped to exhaust fumes from engines, arrangements will be made to equip them so that fumes from locomotives will not be blown off inside the shop. All engines will be placed under exhaust hoods where practicable.

RULE 43

Checking In and Out

43.1 At the close of each week one minute for each hour actually worked during the week will be allowed employees for checking in and out and making out service cards on their own time.

RULE 44

Bereavement Leave

44.1 Upon the death of an employee's spouse, child, parent, grandparent, brother, sister, step-parent, father-in-law, mother-in-law, step-brother or step-sister, the employee shall be entitled to three days' bereavement leave without loss of pay provided that employee has not less than three months' cumulative compensated service.

It is the intent of this Rule to provide for the granting of leave from work on the occasion of a death as aforesaid and for the payment of the employee's regular wages for that period to the employee to whom leave is granted.

If an employee is bereaved while on vacation, bereavement leave days shall not be included as part of the vacation period. The vacation days not taken will be rescheduled through mutual agreement between the Company and the employee.

Definition of Eligible Spouse

The person who is legally married to the Eligible Employee and who is residing with or supported by the Eligible Employee, provided that, if there is no legally married spouse that is eligible, it means the person that qualifies as a spouse under the definition of that word in Section 2(1) of the Canadian Human Rights Benefits Regulations, so long as such person is residing with the Eligible Employee.

RULE 45

General Holidays

45.1 The following general holiday provisions shall be applicable in respect of general holiday entitlement:

45.2 (i) An employee who qualifies in accordance with Rule 45.4 shall be granted a holiday with pay on each of the following general holidays. When a general holiday falls on an employee's rest day, such holiday shall be moved to the normal working day immediately following the employee's rest day.

All Provinces:

- New Year's Day
- The day after that on which New Year's Day is observed.
- Good Friday
- Victoria Day
- Dominion Day
- Labour Day
- Thanksgiving Day
- Christmas Day
- Boxing Day

Nova Scotia and Prince Edward Island:

- Natal Day (first Monday in August)
- Remembrance Day

New Brunswick:

- New Brunswick Day (the first Monday in August)
- Remembrance Day

Quebec:

St. Jean Baptiste Day (in substitution for Remembrance Day)
First Monday in August

Ontario, Manitoba, Saskatchewan, Alberta and British Columbia:

Civic Holiday (the first Monday in August)
Remembrance Day

Newfoundland:

Remembrance Day
Discovery Day

(ii) If the Government of Canada designates Heritage Day or such other day as a General Holiday, the day so designated by the Government shall be substituted for the first Monday in August in the Province of Quebec and for the day after that on which New Year's Day is observed in the other provinces.

45.3 If, in any province or part thereof, a holiday is more generally recognized than any one of the holidays specified above, the signatories hereto will substitute such holiday therefor in that province or part thereof. If such signatories fail to agree that such holiday is more generally recognized the dispute will be submitted to arbitration for final decision.

45.4 In order to qualify for pay for any one of the holidays specified in Rule 45.2 employees:

(a) must have been in the service of the Company and available for duty for at least 30 calendar days. This Rule 45.4 (a) does not apply to employees who are required to work on the holiday;

(b) must be available for duty on such holiday, if it occurs on one of their work days, excluding vacation days, except that this does not apply in respect of employees who are laid off or suffering from a bona fide injury, or who are hospitalized on the holiday, or who are in receipt of or who subsequently

qualified for weekly sickness benefits because of illness on such holiday; when employees are required to work on such general holiday they shall be given an advance notice of four calendar days, except for unforeseen exigencies of the service, in which case they will be notified not later than prior to the completion of their shift or tour of duty immediately preceding such holiday that their services will be required; and

(c) must have rendered compensated service on at least 12 of the 30 calendar days immediately preceding the general holiday. This Rule 45.4 (c) does not apply to an employee who is required to work on the holiday.

NOTE: Provided that employees are available for work on the general holiday, absences from scheduled shifts or tours of duty because of bona fide injury, hospitalization, illness for which the employee qualifies for weekly sickness benefits and authorized maternity leave will be included in determining the 12 of the 30 calendar days referred to in this Clause (c).

45.5 A qualified employee whose vacation period coincides with any of the general holidays specified in Rule 45.2 shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.

45.6 Employees qualified under Rule 45.4 and who are not required to work on a general holiday shall be paid eight hours' pay at the straight time rate of their regular assignment.

45.7 Employees who are required to work on a general holiday shall be paid, in addition to the pay provided in Rule 45.6, at a rate equal to one and one-half times their regular rate of wages for the actual hours worked by them on that holiday with a minimum of three hours for which three hours' service may be required, but an employee called for a specific purpose shall not be required to perform routine work to make up such minimum time.

45.8 Shifts or tours of duty commencing between 12:00 midnight on the eve of the general holiday and 11:59 p.m. on the night of the general holiday, both times inclusive, shall be considered as work on that

holiday.

45.9 Employees regularly assigned to work on holidays, or those called to take the place of such employees, will be allowed to complete the balance of the day unless released at their own request. Those who are called will be advised as soon as possible after vacancies become known.

45.10 Holiday work shall only be required when absolutely essential to the continuous operation of the Railway.

45.11 Employees qualified under the rules for a General Holiday who work as a relieving supervisor part of the work week (dual positions) shall be paid a portion of the 8 hours for each paid General Holiday on the basis of time worked during their work week in the hourly rated position.

EXAMPLE: An employee who worked two shifts out of five as relieving supervisor, would be paid 3/5ths of eight hours for the paid General Holiday or 4 hours 48 minutes.

The Following will Govern Holiday Pay For 179.3 and 181.3 hour Employees Qualified in accordance with the provisions of Rule 45.4:

No Work Performed on General Holiday

45.12 When a general holiday falls on other than a rest day (seventh day) and the employee who by agreement with the proper officer of the Railway is not subject to call and does not work on that day, such employee is credited with 8 hours for the holiday not worked, which time is included in making up the 4-week guarantee.

45.13 When a general holiday falls on a regular work day or on a call day (sixth day), and the employee is subject to call and is available to work on that day, such employee is allowed 8 hours for the holiday not worked in addition to the 4-week guarantee.

Work Performed on General Holiday

45.14 When a general holiday falls on a regular work day or on a call day (sixth day), and the employee works on that day, such employee is credited with one and one-half times the actual hours worked with a minimum of four and one-half straight-time hours. Such hours shall be included in making up the four-week guarantee. In addition, the employee will be paid eight hours at the pro rata hourly rate for the holiday, which time is excluded in making up the four-week guarantee. Service on such day shall be confined to work of an emergency nature or for the maintenance of customers' service.

RULE 46

Annual Vacation

Section 1

46.1 (a) An employee who, at the beginning of the calendar year, is not qualified for vacation under Clause (b) hereof, shall be allowed one working day's vacation with pay for each 25 days cumulative service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days until qualifying for further vacation under Clause (b) of this section.

(b) Subject to the provisions of Note 1 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 3 years and have completed at least 750 days of cumulative service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 16-2/3 days of cumulative service, or major portion thereof, during the preceding calendar year, with a maximum of 15 working days; in subsequent years, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (c) of this section.

NOTE 1: Employees covered by Clause (b) of this section will be entitled to vacation on the basis outlined therein if on their fourth or subsequent service anniversary date they achieve 1,000 days

of cumulative service; otherwise their vacation entitlement will be calculated as set out in Clause (a) of this section. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at the time of leaving.

(c) Subject to the provisions of Note 2 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 9 years and have completed at least 2,250 days of cumulative service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 12 1/2 days of cumulative service, or major portion thereof, during the preceding calendar year, with a maximum of 20 working days; in subsequent years, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (d) of this section.

NOTE 2: Employees covered by Clause (c) of this section will be entitled to vacation on the basis outlined therein if on their tenth or subsequent service anniversary date they achieve 2,500 days of cumulative service; otherwise their vacation entitlement will be calculated as set out in Clause (b) of this section. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

(d) Subject to the provisions of Note 3 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 19 years and have completed at least 4,750 days of cumulative service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 10 days of cumulative service, or major portion thereof, during the preceding calendar year, with a maximum of 25 working days; in subsequent years, they will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Clause (e) of this section.

NOTE 3: Employees covered by Clause (d) of this section will be entitled to vacation on the basis outlined therein if on their twentieth or subsequent service anniversary date they achieve 5,000

days of cumulative service; otherwise their vacation entitlement will be calculated as set out in Clause (c) of this section. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at time of leaving.

(e) Subject to the provisions of Note 4 below, employees who, at the beginning of the calendar year, have maintained a continuous employment relationship for at least 28 years and have completed at least 7,000 days of cumulative service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 8-1/3 days of cumulative service, or major portion thereof, during the preceding calendar year, with a maximum of 30 working days.

NOTE 4: Employees covered by Clause (e) of this section will be entitled to vacation on the basis outlined therein if on their twenty-ninth or subsequent service anniversary date they achieve 7,250 days of cumulative service; otherwise their vacation entitlement will be calculated as set out in Clause (d) of this section. Any vacation granted for which employees do not subsequently qualify will be deducted from their vacation entitlement in the next calendar year. If such employees leave the service for any reason prior to their next vacation, the adjustment will be made at the time of leaving.

(f) In the application of Rule 46.1 (e), the Company will have the option of:

(i) scheduling an employee for five weeks' vacation with the employee being paid for the sixth week at pro rata rates; or

(ii) splitting the vacation on the basis of five weeks and one week.

(g) A year's service is defined as 250 days of cumulative service.

(h) In computing service under Clauses (a), (b), (c), (d) and (e) of this Section 1, days worked in any position covered by similar vacation Agreements shall be accumulated for the purpose of qualifying for vacation with pay.

NOTE: Subject to the number of days worked for CN in the preceding calendar year, calculations of years of service for vacation eligibility purposes only will include time spent by an employee on a full time basis as an elected Union officer for which a leave of absence has been granted.

(i) Provided an employee renders compensated working service in any calendar year, time off duty, account of bona fide illness, injury, authorized pregnancy leave, authorized parental leave, to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 120 days in any calendar year, shall be included in the computation of service in that year for vacation purposes.

(j) Employees who, while on annual vacation becomes ill or are injured shall have the right to terminate (temporarily) their vacation and be placed on weekly indemnity. Employees who are again fit for duty shall immediately so inform the Company officer in charge, and will complete their vacation if continuous with their scheduled dates. If the remaining vacation falls outside the employee's scheduled dates, such vacation will be rescheduled as may be mutually agreed between the proper officer of the Company and the authorized local Union representative.

(k) Employees who, due to sickness or injury, are unable to take or complete their annual vacation in that year shall, at the option of that employee, have the right to have such vacation carried to the following year.

(l) Employees who are entitled to vacation shall take same at the time scheduled. If however, it becomes necessary for the Company to reschedule an employees' scheduled vacation dates, they shall be given at least fifteen working days advance notice of such rescheduling and will be paid overtime rates for all work and will be granted vacation with pay to which they are entitled at a later date.

NOTE: This Clause 46.1 (l) does not apply where rescheduling is the result of employees exercising their seniority to a position covered by another vacation schedule, nor to Apprentices moving between main shops and running repair points.

Advance Vacation Pay

(m) Employees desiring an advance vacation payment must make application for same not later than five weeks prior to commencing their vacation. The advance vacation payment shall be 4 per cent of the employee's previous year's earnings, less an appropriate amount (approximately 30 per cent) to cover standard deductions.

(n) Employees shall be compensated for vacation at the hourly rate of pay they would have earned had they been working during the vacation period.

(o) In the application of this Section 1, employees on a monthly guarantee will be paid for vacation on the basis of such guarantee.

Section 2

46.2 (a) Employees terminating their employment for any reason at a time when an unused period of vacation with pay stands to their credit shall be allowed vacation calculated to the date of leaving the service, as provided for in Section 1, and, if not granted shall be allowed pay in lieu thereof.

(b) Unless otherwise requested, employees who are laid off shall be paid for any vacation due them at the beginning of the current calendar year and not previously taken, and, if not subsequently recalled to service during such year shall upon application, be allowed pay in lieu of any vacation due them at the beginning of the following calendar year. Employees requesting not to have their vacation paid upon layoff will continue to be governed by the vacation schedule currently in effect.

(c) Individuals who leave the service of their own accord or who are dismissed for cause and not reinstated in their former standing within two years of date of such dismissal shall, if subsequently returned to the service, be required to qualify again for vacation with pay as provided in Section 1. In instances of reinstatement by the Company after successful completion of a Company recognized Employee Assistance Program (EAP), the time limits specified within this clause shall be extended to

four years.

Section 3

46.3 (a) An employee who has become entitled to a vacation with pay shall be granted such vacation within a twelve month period immediately following the completion of the calendar year of employment in respect of which the employee became entitled to the vacation.

(b) Applications for vacation from employees at other than main shops filed between December 15 of the previous year and January 31, shall insofar as is practicable to do so be given preference in order of seniority of the applicants. Such applicants will have preference over later applicants. Applicants will be advised in February of the dates allotted them and unless otherwise mutually agreed employees must take their vacation at the time allotted. Notices of vacation periods will be posted prior to December 15. The dates mentioned in this Clause 46.3(b) may be changed by mutual agreement between the Local committee and the proper officer of the Railway.

(c) Unless otherwise mutually agreed, employees who do not apply for vacation prior to February 1st shall be required to take their vacation at a time to be prescribed by the Company.

Section 4

46.4 (a) The officer in charge and the recognized representative of the employees will, as far as practicable, make mutual arrangements to carry on the work while members of the staff are on vacation with the object of avoiding additional expenses to the Company, but if this is not practicable, employees engaged temporarily, or employees temporarily promoted from one position to another, to provide vacation relief, will, if definitely assigned to fulfil the duties and responsibilities of a higher rated position, be paid the schedule rate applicable to such position.

Main Shops

(b) At the main shops the intention is to close the shops for the annual vacation period and the Management and duly authorized representatives of the employees will agree prior to January 31st of each year the date on which the various shops will close for vacation period.

(c) The period of close down for annual vacation at main shops will not exceed four weeks in each year.

(d) The Management and the Local Committees will co-operate with a view to providing staff to make repairs to machinery, etc., and to giving employment to as many as possible of the employees who are not entitled to full vacation. Such skilled employees as are necessary to balance the staff will be allowed vacations to which they are entitled at a mutually satisfactory date.

(e) Employees in main shops who are entitled to a vacation of three weeks or more may be permitted, upon request, to take a portion of their vacation at a time other than during the close down for annual vacations providing there is no increase cost to the Railway and subject to the right of the Railway to balance staff in order to ensure adequate productivity. Provided an employee obtains prior approval from the proper officer of the Company, said employee may use up to five days' annual vacation allotment to cover unavoidable absences on a daily basis. In the event that an employee at a Main Shop at the employee's own request takes vacation outside the Main Shop shutdown vacation period and as a result is laid off during the shutdown period, the employee will not be entitled to the Weekly Layoff Benefit Provisions of Article 4 of the Employment Security and Income Maintenance Plan until the employee has been laid off for a continuous period equal to the number of vacation days (including rest days) taken, (i.e. 3 weeks' vacation taken equals 21 calendar days of continuous layoff in the application of this clause).

(f) During the annual vacation close down, main shop employees whose maximum vacation entitlement is less than the period of close down shall, notwithstanding any other provisions of the Collective Agreement, only be entitled to fill vacancies temporarily at running points for which they are fully qualified.

(g) The proper officer of the Company and the respective Regional Vice-President will co-operate in an effort to ensure that as many main shop mechanics, Apprentices, helpers and coach cleaners as possible, whose maximum vacation entitlement is one week or more less than the period of close down, will be given the opportunity to fill vacancies at running points for which they are fully qualified to immediately perform the work involved.

(See Appendix VII)

(h) Employees who undertake to transfer to a running point for a temporary period under this Rule and who have been cleared to do so shall, if they later decline to exercise their seniority and fill the position without just cause, be debarred from the benefit of this Rule in the following year.

(i) Employees working in main shops during vacation period will be compensated during regular shop hours at pro rata rates, except as otherwise provided in Rule 46.1 (l).

Running Work

(j) At running points the recognized vacation period will be from May 1 to October 31, inclusive. When mutually arranged, vacations may be taken outside of the recognized period. Where additional relief is required and cannot be obtained and the requirements of the service make it necessary to extend the recognized vacation period, the supervisor and Local Committee will be required to work out a practical arrangement.

(k) Provided an employee obtains prior approval from the proper officer of the Company, said employee may use up to five days annual vacation allotment to cover unavoidable absences on a daily basis.

RULE 47

Life Insurance Upon Retirement

47.1 Employees who retire 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.

RULE 48

Deduction of Union Dues

48.1 The Railway shall deduct on the payroll for the pay period which contains the 24th day of each month from wages due and payable to each employee coming within the scope of this Collective Agreement an amount equivalent to the uniform monthly Union dues of the Organization, subject to the conditions and exceptions set forth hereunder.

48.2 The amount to be deducted shall be equivalent to the uniform regular dues payment of the National Automobile, Aerospace, Transportation and General Workers Union of Canada - Local 100 covering the position in which the employee concerned is engaged and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of this Collective Agreement excepting to conform with a change in the amount of regular dues of the Organization in accordance with its constitutional provisions. The provisions of this Rule shall be applicable to the Organization on receipt by the Railway of notice in writing from such Organization of the amount of the regular monthly dues.

48.3 Employees filling positions of a supervisory or confidential nature not subject to all the Rules of the applicable Agreement, as may be mutually agreed between the designated officers of the Railway and of the Organization shall be excepted from dues deduction.

48.4 Membership in the Organization shall be available to any employee eligible under the constitution of the Organization on payment of the initiation or reinstatement fees uniformly required of all other such applicants by the local lodge or division concerned. Membership shall not be denied for reasons of race, national origin, colour or religion.

48.5 Deductions for new employees shall commence on the payroll for the first pay period which contains the 24th day of the month.

48.6 If the wages of an employee payable on the payroll which contains the 24th day of any month are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee by the Railway in such month. The Railway shall not, because employees do not have sufficient wages payable to them on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

48.7 Employees filling positions coming within the scope of more than one wage agreement in the pay period in which deduction is made shall have dues deducted for the Organization under which the preponderance of their time is worked in that period. Not more than one deduction of dues shall be made from any employee in any month.

48.8 Only payroll deductions now and hereafter required by law, deduction of monies due or owing the Railway, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.

48.9 The amounts of dues so deducted from wages accompanied by a statement of deductions from individuals shall be remitted by the Railway to the officer or officers of the Organization, as may be mutually agreed by the Railway and the Organization referred to in 48.2 hereof, not later than forty calendar days following the pay period in which the deductions are made.

48.10 The Railway shall not be responsible financially or otherwise, either to the Organization or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or

remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages, the Railway shall adjust it directly with the employee. In the event of any mistake by the Railway in the amount of its remittance to the Organization, the Railway shall adjust the amount in a subsequent remittance. The Railway's liability for any and all amounts deducted pursuant to the provisions of this Rule shall terminate at the time it remits the amounts payable to the designated officer or officers of the Organization.

48.11 The question of what, if any, compensation shall be paid the Railway by the Organization in recognition of services performed under this Rule 48 shall be left in abeyance subject to reconsideration at the request of either party on fifteen days' notice in writing.

48.12 In the event of any action at law against the parties hereto or any of them resulting from any deduction or deductions from payrolls made or to be made by the Railway pursuant to Rule 48.1 of this Agreement, all parties shall co-operate fully in the defence of such action. Each party shall bear its own cost of such defence except that if at the request of the Organization counsel fees are incurred these shall be borne by the Organization. Save as aforesaid the Organization, jointly and severally, shall indemnify and save harmless the Railway from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

RULE 49

Employment Security and Income Maintenance Agreement

49.1 The provisions of the Employment Security and Income Maintenance Agreement effective June 14, 1995 between the Canadian National Railway Company and the Union signatory thereto shall apply to employees covered by this Agreement.

RULE 50

Employee Benefit Plan - Life Insurance, Sickness and Paid Maternity Leave Benefits

50.1 The Employee Benefit Plan shall be that Plan established by the Employee Benefit Plan - Supplemental Agreement dated July 25, 1986, as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

RULE 51

Contracting Out

51.1 Effective June 14, 1995, work presently and normally performed by employees who are subject to the provisions of this collective agreement will not be contracted out except:

- (a) when technical or managerial skills are not available within the railway; or
- (b) where sufficient employees, qualified to perform the work, are not available from the active or laid-off employees; or
- (c) when essential equipment or facilities are not available and cannot be made available at the time and place required (a) from Railway owned property, or (b) which may be bona fide leased from other sources at a reasonable cost without the operator; or
- (d) where the nature or volume of work is such that it does not justify the capital or operating expenditure involved; or
- (e) the required time of completion of the work cannot be met with the skills, personnel, or equipment available on the property; or
- (f) where the nature or volume of the work is such that undesirable fluctuations in employment would automatically result.

The conditions set forth above will not apply in emergencies, to items normally obtained from

manufacturers or suppliers nor to the performance of warranty work.

51.2 Except in cases where time constraints and circumstances prevent it, the Company will hold discussions with representatives of the union in advance of the date contracting out is contemplated. The Company will provide the Union with a description of the work to be contracted out; the anticipated duration; the reasons for contracting out, and, if possible, the date the contract is to commence, and any other details as may be pertinent to the Company's decision to contract out. During such discussions, the Company will give due opportunity and consideration to the Union's comments on the Company's plan to contract out and review in good faith such comments or alternatives put forth by the Union. If the Union can demonstrate that the work can be performed internally in a timely fashion as efficiently, as economically, and with the same quality as by contract, the work will be brought back in or will not be contracted out, as the case may be. Where a business case cannot be made to have the work performed by CAW members under the existing collective agreement terms and conditions, the parties may, by mutual agreement, modify such terms and conditions in an effort to have the work performed by CAW members.

51.3 The Company will advise the Union representatives involved in writing, as far in advance as is practicable, of its intention to contract out work which would have a material and adverse effect on employees. Except in case of emergency, such notice will not be less than thirty days.

51.4 Such advice will contain a description of the work to be contracted out; the anticipated duration; the reasons for contracting out and, if possible, the date the contract is to commence. If the Regional Vice-President, or equivalent, requests a meeting to discuss matters relating to the contracting out of work specified in the above notice, the appropriate Company representative will promptly meet with the Regional Vice-President for that purpose.

51.5 Should a Regional Vice-President, or equivalent, request information respecting contracting out which has not been covered by a notice of intent, it will be supplied promptly. If the Regional Vice-President requests a meeting to discuss such contracting out, it will be arranged at a mutually acceptable time and place.

51.6 Where the Union contends that the Company has contracted out work contrary to the provisions of this Rule, the Union may progress a grievance by using the grievance procedure which would apply if this were a grievance under the Collective Agreement. Such grievance shall commence at the Senior Vice-President level (or equivalent), the union officer shall submit the facts on which the Union relies to support its contention. Any such grievance must be submitted within 30 days from the alleged non-compliance.

RULE 52

Trade Classifications and Special Rules

52.1 (a) **Car Mechanic**

Car Mechanics work shall consist of inspection, maintenance and repair of freight and passenger cars and performance of all other work, including wrecking service, that is generally recognized as Car Mechanic's work. It is understood that Car Mechanics will perform all electric or any oxy acetylene welding required in the performance of the work.

(b) **Heavy Duty Mechanic**

Heavy Duty Mechanics work shall consist of inspection, maintenance and repair of motive power units and performance of all other work that is generally recognized as Heavy Duty Mechanic's work including facility maintenance. It is understood that Heavy Mechanics will perform all electric or any oxy acetylene welding required in the performance of the work.

(c) **Electricians**

Electricians work shall consist of inspection, maintenance and repair of electrical and electronic high or low voltage circuitry systems on motive power and rolling stock and all other work

generally recognized as Electrician's work including facility maintenance. It is understood that Electricians will perform all electric or any oxy acetylene welding required in the performance of the work.

Note: Where provincial regulations require that the employees performing these tasks be licensed, the Company will assist the employees in accordance with the Education Financial Assistance Plan and pay costs to obtain the required certificates.

Note: It is understood that throughout this agreement the term "Mechanic" will refer to the above three trades.

52.2 The three trades identified in Rule 52.1 shall perform their work independently and exclusively except as otherwise provided for in Appendix X and Appendix XIV.

Regular Apprentices in the trade are also included in connection with the work as defined in Rule 52.1.

Crane Operators

52.3 Crane Operators will perform their work in accordance with Rule 53 of the former 12.40 Agreement.

Mechanic Helpers

52.4 Mechanic Helpers will be assigned to one of the following trades:

- (a) Car Mechanic Helper
- (b) Heavy Duty Mechanic Helper

(c) Electrician Helper

52.5 Helpers are employees regularly assigned to assist Mechanics in their respective trade.

Helpers work shall be defined as in jurisdictional Rules in existence prior to the Trades Modernization Agreement. It is additionally understood that the principles of natural flow as outlined in the Trades Modernization Agreement will apply to Helpers and their work.

Note: The ratio of Mechanics in relation to Helpers in each trade continues to apply.

52.6 (a) Employees hired or transferred to the classification of Car Mechanic Helper on or after December 1, 1985, will be required to accept promotion to the Car Mechanic apprenticeship program in order of seniority at their respective terminals. Failure to accept such promotion will result in release from service except as may be otherwise mutually agreed.

(b) All other Helpers, including Car Mechanic Helpers hired prior to December 31, 1985, will be given preference in applying for positions of Apprentices in their respective trade.

(c) Helpers who have worked in their respective trade for not less than three years consisting of a total of 726 working days may, if able to meet the other entrance requirements for regular Apprentices apply for Apprentice training in their respective trade. If selected they shall be given a credit of one (1) year and serve an apprenticeship of three (3) years made up of six (6) terms of 960 hours each or a total of 5760 hours. No other credits will be allowed. In the event two or more applications are received, preference will be given firstly to applicants from the Area (Division) and then to the Region, except as may be mutually agreed between the proper officer of the Company and the President of Local 100.

(d) Helpers entering the Apprentice training program will have their seniority as a helper and coach cleaner, if applicable, protected during their term of apprenticeship, but shall not be permitted to revert to their former helper or coach cleaner's status except in the case of reduction of staff. An Apprentice who due to a reduction in staff is returned to a helper or coach cleaner status will, when an

increase in staff permits, be obligated to assume their Apprentice training. Except as otherwise provided in Rule 52.6(a), Helpers refusing to resume Apprentice training will retain their Helper's seniority but shall not thereafter be permitted to re-enter the Apprentice training program.

Coach Cleaners

52.7 (a) Coach cleaners will be given preference in filling carman helpers' positions if, upon application, they can be reasonably expected to perform the work and meet the qualification standards for the apprenticeship program.

(b) Those accepting promotion to the Helper's classification will have their names retained on the coach cleaner's seniority list and will continue to accumulate seniority in the coach cleaner's classification. Upon accepting a position of helper, coach cleaners will be obliged to continue in the helper's classification as long as their seniority permits them, and will only be allowed to revert and exercise their seniority in the coach cleaner's classification for medical reasons or upon being laid off as helpers.

(c) Those coach cleaners who qualify and accept promotion to the position of car mechanic Apprentice, will have their seniority protected in the coach cleaner classification, as per the provisions of Rule 30, until qualifying for seniority on the carmen's regular seniority list, at which time their names will be removed from the seniority lists of coach cleaners.

(d) Coach cleaners at outlying points may be worked eight (8) hours within a period of ten (10) consecutive hours. They may be assigned to any other unskilled work during their eight-hour period of service. An outlying point is a point where not more than three coach cleaners are employed.

52.8 The duly authorized committee at the point concerned will be consulted and mutual understanding arrived at prior to promoting helpers and coach cleaners, or transferring employees as Apprentices.

52.9 It is recognized that in addition to the normal hiring of promotion of employees into an

apprenticeship program, it may be necessary that increased numbers of coach cleaners, car mechanic helpers or other employees may be hired, transferred or promoted to meet particular production needs. The Regional Vice-President will be consulted prior to such additional hirings, transfers or promotions and will be informed of the reason and expected duration of these workforce increases. The Regional Vice-President and proper officer of the Company will agree on appropriate conditions relative to these hirings. Employees hired, transferred or promoted on this basis will be classified as Apprentices and will be paid in accordance with the Apprentice rate scale in Rule 30.32. It is intended that employees added to the workforce on this basis will be integrated into the Apprentice training program to fulfil the requirements of that program should their employment continue for an extended period.

Car Mechanic Inspectors

52.10 Employees assigned to inspecting must have the necessary knowledge of the A.A.R. rules and safety appliances laws, and be able to make the necessary reports in connection with interchange work.

Safety Appliance Car Mechanic

52.11 As far as practicable employees assigned to follow car mechanic inspectors in yards to make safety appliances and light running repairs, shall not be required to work on cars taken from trains to repair tracks.

Protection For Car Mechanic Inspectors And Repair Car Mechanics

52.12 Switches of repair tracks will be kept locked with special locks, and employees working on such tracks shall be notified before any switching is done. A competent person will be regularly assigned to perform this duty and held responsible for seeing it is performed properly.

52.13 Trains or cars while being inspected or worked on by train yard employees will be protected by blue flag by day and blue light by night. Employees covered by Rules 52.12 and 52.13 shall be

governed by the regulations as approved for the Railway by Transport Canada.

(SEE APPENDIX I)

Heavy Duty Mechanics Assigned To Running Repairs

52.14 Heavy Duty Mechanics assigned to running repairs shall not be required to do work on back shop work at points where back shop forces are maintained.

Back Shop And Running Repair Forces

52.15 Back Shop Heavy Duty Mechanics will not be assigned to perform running repair work, except when the regularly assigned running repair forces are unable to get engines out in time to prevent delay to train movement.

**Electricians Paid On The Basis Of 179.3 Hours
Per Four-Week Period**

52.16 (a) At points where a special arrangement of hours is mutually agreed upon to meet the requirements of train service, and where only one electrician is employed, they shall be allowed 179.3 hours per four-week period comprised of 160 hours at straight time and 19.3 hours at time and one-half at the hourly rate provided for electricians. If required to work in excess of 179.3 hours per four-week period, such hours shall be paid for as follows:

Actual overtime hours worked in excess of 160 hours will be accumulated over a twelve-week period.

If these total overtime hours worked exceed 57.9 (comprised of 19.3 hours x 3 four-week periods) such additional hours worked in excess of 57.9 will be paid for at the rate of time and one-half at the conclusion of the twelve-week period.

The Work hours may be mutually arranged to suit conditions, and less than eight hours may be specified for certain days.

NOTE: Should an employee take a position based on this Rule 52.16(a) and remain on such position for a period of less than 12 weeks, the period so engaged will be recognized as the accumulation period for that employee. In such circumstances, overtime compensation will be calculated in relation to the total overtime hours worked pro-rated over the number of weeks actually engaged during the 12-week period. This does not apply to employees who work for periods of less than one week.

(b) Such employees shall be assigned one regular rest day per week, Sunday if possible, and service on such assigned rest day shall be governed by Rules 2 and 5. Hours paid for on such assigned rest day shall not be included in computing the 179.3 hours per four-week period.

One Car Mechanic Points

52.17 (a) A "one car mechanic point" is an outlying point where there is employed one Car Mechanic, day, and one, night, or where there is only one Car Mechanic employed.

(b) Car Mechanics stationed at one car mechanic points shall be allowed 179.3 hours per four-week period made up of 160 hours at straight time and 19.3 hours at time and one-half at the hourly rate provided in Rule 31.

(c) Where car mechanic inspectors, including work train inspectors, or car repairers at one car mechanic points are required by order to work a total of more than 179.3 hours per four-week period, they shall be paid for all time worked in excess of 179.3 hours per four-week period in accordance with the following:

In the application of Rules 52.17(b) and 52.17(c):

Actual overtime hours worked in excess of 160 hours will be accumulated over a twelve-week period.

If these total overtime hours worked exceed 57.9 (comprised of 19.3 hours x 3 four week periods) such additional hours worked in excess of 57.9 will be paid for at the rate of time and one-half at the conclusion of the twelve-week period.

NOTE: Should an employee take a position based on this Rule 52.17(c) and remain on such position for a period of less than 12 weeks, the period so engaged will be recognized as the accumulation period for that employee. In such circumstances, overtime compensation will be calculated in relation to the total overtime hours worked pro-rated over the number of weeks actually engaged during the 12-week period. This does not apply to employees who work for periods of less than one week.

(d) Employees covered by Rules 52.17(a) to 52.17(g) inclusive shall be assigned to work five days per week, their working hours shall be mutually arranged to suit conditions and less than 8 hours may be specified for certain days. The sixth day shall be considered as a standby day and employees must be available for call for work of an emergency nature or for the maintenance of customer services on such day. The seventh day, Sunday if possible, shall be the regular assigned rest day.

(e) Car Mechanics working under the provisions of Rules 52.17(a) to 52.17(g) inclusive, including those assigned to the combined duties of engine watchmen and car cleaners, will be subject to call on the sixth day for emergency work or for the maintenance of customer services. Routine service, ordinary maintenance and construction work shall not be considered as emergency work.

(f) Service on an assigned regular rest day shall be paid at the overtime rates as provided for in Rules 2 and 5. Hours paid for on such rest day shall not be included in computing the 179.3 hours per four-week period.

(g) Such employees shall be compensated for the general holidays specified in Rule 45.2 in

accordance with the provisions of Rules 45.12 to 45.14 inclusive.

52.18 When necessary to repair cars on the road or away from the shops and/or repair tracks, Car Mechanic and Helper in connection with Car Mechanic's work, will be sent out to perform such work as putting in couplers, draft gear, truck repairs, putting cars on centre, and wheels, and work of a similar character, and wherever cars are set out for repairs on the road, facilities such as blocks, jacks, etc., will be provided. This will include Car Mechanics assigned to road repair vehicles in connection with all work generally recognized as Car Mechanic's work. Employees performing such work will protect themselves as per Rule 52.13.

RULE 53

Translation of Agreement

53.1 The Railway will undertake the translation of this Agreement into French.

RULE 54

Jurisdictional Understanding

54.1 It is understood and agreed between the parties hereto that any alterations or amendments herein proposed in work classification are for the purposes of clarification and rate fixing only, and shall not be interpreted as affecting or disturbing in any manner the jurisdictional understanding and practices as now exist.

RULE 55

Procedure

55.1 For the carrying out of this Agreement the Railway will deal only with the duly authorized officers of National Automobile, Aerospace, Transportation and General Workers Union of Canada - Local 100.

RULE 56

Revision of Rules

56.1 Should either the railway or the employees comprising National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW - CANADA) Local 100 desire to revise these rules, a written statement containing the proposed changes shall be given and conference held within thirty (30) days.

RULE 57

Scope of General and Special Rules

57.1 Except as provided for under the special rules of the trades, the general rules shall govern in all cases.

RULE 58

Printing of Agreements

58.1 The Company agrees to undertake the responsibility for the printing of the collective agreement and its addendums (E.S.I.M.A., Employee Benefit Plan, etc.) within 90 days from the date that the contract language is agreed to. Printing to be completed in one book where possible. The Company will provide the Union with a sufficient number of agreements for distribution to the membership and duly authorized representatives.

RULE 59

Dental and Extended Health Care Plans

Dental Plan

59.1 The Dental Plan shall be that Plan established by the Dental Plan Agreement dated July 25, 1986, as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

Extended Health Care Plan

59.2 The Extended Health Care Plan shall be that Plan established by the Extended Health Care Plan Agreement dated July 25, 1986, as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

RULE 60

GENERAL

60.1

(a) The foregoing changes are in full settlement of all requests served by and upon the Company and the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) Local 100 referred to on the cover page of this Memorandum of Agreement before, on or subsequent to September 1, 1997.

(b) Collective Agreements 12 and 12.90 will be amended in conformity with the changes.

(c) This agreement shall remain in full force and effect until December 31, 2000 and thereafter, subject to 90 days notice in writing by either party to this agreement of its desire to revise, amend or terminate it. Such notice may be served any time subsequent to September 30, 2000.

(d) Employees who are in the service on the date of signing of this Memorandum of Agreement shall be entitled to any amount of compensation that may be due them for the time worked subsequent to December 31, 1997.

Signed at Windsor, Ontario, this ____ day of _____, 1998.

6FOR THE COMPANY
FOR THE EMPLOYEES

(Sgd) R. Bateman
For: Assistant Vice-President
Labour Relations and
Employment Legislation

(Sgd) J. Moore-Gough
President
National Automobile, Aerospace
Transportation and General
Workers Union of Canada
(CAW-Canada) Local 100

APPENDICES

APPENDIX I

CANADIAN NATIONAL RAILWAY COMPANY

REGULATIONS FOR THE PROTECTION OF EMPLOYEES WHILE INSPECTING, SERVICING, REPAIRING AND WORKING IN AND ABOUT CARS AND LOCOMOTIVES REGULAR AND HUMP YARD

* REPAIR TRACKS

*(See second paragraph of Section No. 3 concerning special regulations on Hump Yards).

1. Where repair tracks are coupled up at both ends a standard Blue Flag suspended from a staff clamped to the rail by day and Blue Light hung on same staff by night must be displayed at both ends of each track, and in addition, the switches at both ends of each track must be lined to prevent movement onto the track, and secured with a special lock other than the standard switch lock before employees commence work.

Where repair tracks are coupled up at one end only, the same protection is required at the end of each track that is coupled to lead.

Supervisors or other assigned responsible party in charge must attend to the matter of track protection personally, apply and remove locks and Blue Signals, and retain locks in their possession until again required. When it becomes necessary to remove same to permit switching operations during working hours, the party in charge must see that all employees are notified and out of danger before removing locks and Blue Signals, and must re-apply same immediately after switching is completed and before work is resumed.

Entrances and exits of Main and Running Repair Shops must be protected by a derail applied to

each track of not less than 40 feet from door and three (3) ties must be removed between derail and door and special locks must be applied to switches as described in the first paragraph.

Locks and Blue Signals must be removed from all tracks on which cars or locomotives are in condition to be switched after completion of day's work.

Coach and Flat Traffic Yards

2. Employees before making inspection of, or performing minor repairs on or about cars or locomotives, attending heaters, loading, unloading, or, cleaning cars must display the Blue Flag by day and Blue Light by night at both ends of each track occupied by the cars or locomotives, until all work is completed, after which Blue Flags or Lights must be removed.

Each class of worker or other responsible person as designated by Supervisor in charge must display their Blue Signals and the same workmen are alone authorized to remove them. They must not remove their Blue Signals until it is known that all employees within their classifications who are working under the protection of their Blue Signals have completed their work and are made aware of the removal of this protection.

All equipment requiring repairs which makes it necessary for the employees to work in a dangerous position, should be placed on repair tracks, but if circumstances are such that this is impracticable to do so, employees sent to make repairs must ensure switches are lined so as to prevent movement onto the track, and they must personally apply special lock and Blue Signals at each end of track on which such equipment is standing, and in addition to this must notify Yard conductor or Traffic coordinator, if any, of the action taken. After the completion of repairs, such employees must remove locks and Blue Signals, and also personally advise Yard conductor or Traffic coordinator, if any, that repairs have been completed and track is released.

Hump Yards

3. In hump yards where tracks are equipped with remotely controlled power operated switches, workers required to work on any track must determine with a designated responsible Car Department person that such switches are lined away so as to prevent movement onto the track, and locked, prior to commencing work on or about cars or locomotives.

When it is not possible to manually lock remotely controlled power operated switches in a particular hump yard in a safe and positive manner, approved safety regulations will be provided under these circumstances. Employees must be made fully aware of these regulations by the Equipment Supervisor and they must be strictly adhered to by all concerned.

Whenever special or more detailed regulations are in effect to cover the complex operating conditions in hump yards, employees must be made fully aware of them and these special regulations will govern.

Work performed on tracks equipped with manually operated switches will be governed by safety regulations as applicable in Traffic Yards. (See Section 2).

Siding or Other Tracks at Other than Terminal Points

4. Employees making repairs to cars, locomotives, or other units or work equipment, on a siding or other track, at other than terminal points, must first display Blue Signal on lead-end of dead-end sidings and at both ends of open-end sidings and take any other precautions deemed necessary to ensure their maximum safety, and before undertaking this work they must, where practicable, notify Agent or Train Dispatcher and secure assurance that any instructions to train crews which may be necessary have been issued. Upon completion of the work, Blue Signals must be removed and Agent or Train Dispatcher notified that repairs have been completed.

Night Work

5. When repairs have to be made after sunset or during weather condition in which a Blue Flag

cannot be plainly seen, a Blue Light must be displayed hung on same staff.

General

6. Supervisors who assign employees to perform work under any of the circumstances outlined in the foregoing rules must properly instruct and ensure that such employees comply with these regulations. All employees are required to adhere to these regulations and to give close personal attention to the protection of themselves and other employees and to avoid going into dangerous places unnecessarily.

Violation of the Blue Signal rules or anything that is liable to result in personal injury must be promptly reported to the proper officer. The Blue Flag is shown on Drawing No. 3H-16959.

APPENDIX II

CANADIAN NATIONAL RAILWAY COMPANY

INTERPRETATION OF RULES

23.11, 23.13 and 23.16

Rule 23.11

Discussions between the Canadian National Railway Company and the National Automobile, Aerospace and Agricultural Implement Workers Union of Canada - Local 100 with regards to Rule 23.11 have resulted in the Railway issuing instructions to the supervisor staff that in the instance of the transfer of employees from one section (department) of the shop to another for a period of over 90 days where there is no change in the rate and no change in hourly or rest days and where no overall increases in total staff was involved. The Union representatives claimed that such situations were covered by Rule 23.11 and, consequently, the new positions would have to be bulletined and awarded to the senior qualified employees making application.

The Railway contended that this rule was only intended to apply in respect of staff additions when there were additions being made in the trade in a shop proper and not to addition in a section (department) of the shop with equivalent reductions in another section (department) of the shop with no overall increase taking place.

The union representatives were not adamant that bulletins would be issued in every case if this were unnecessary, especially at small points, so long as senior qualified employees desiring to transfer were given the opportunity to do so. The Railway stated that without prejudice to its interpretation of the meaning of the rule, it would advise all concerned that in such circumstances, senior employees desiring to transfer will be allowed to do so subject to qualifications, of course, that this does not apply in respect of staff adjustments within a section (department) of a shop but only to transfers between sections (departments) of a shop where no overall change occurs in total employment in the shop. This

understanding does not prejudice the interpretation of the Union concerning 23.11.

Rules 23.13 and 23.16

These rules require that the Regional Vice-President received copies of all Area (Division) and Regional bulletins and lists of employees being laid off at a seniority terminal. As this is apparently not being done in all instances, will you please instruct the personnel concerned on your Region to so arrange in future. The Union also requested, and we agreed, that where bulletins are issued simultaneously to the Area and Region, it be shown on such bulletins that qualified applicants from the Area will receive preference.

Various rules provide that under certain circumstances the local committee shall be consulted. The Union alleged that these consultations are frequently taking place after the fact rather than before. If this is true, will you please point out the correct procedure to your officers as rules providing for consultation with local committee intend that this will be done before the fact except, of course, in certain isolated situations where emergency requirements make this impossible.

APPENDIX III

MEMORANDUM OF AGREEMENT
BETWEEN

CANADIAN NATIONAL RAILWAY COMPANY

AND

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION OF
CANADA (CAW-CANADA) LOCAL 100

IT IS AGREED THAT, effective June 14, 1995, this Memorandum of Agreement will suspend Rules 27.1 and 27.2 inclusive of Agreement 12. The procedures outlined herein will apply until cancelled by the application of Rule 27.2 contained herein.

INFORMAL INVESTIGATION

27.1 Minor incidents may be handled without the necessity of a formal investigation. Minor incidents are defined as those for which no more than ten (10) demerit marks will be assessed and which cannot, when added to the employee's current record, result in discharge for accumulation of demerits.

Such incidents will be investigated as quickly as possible by a proper officer(s) of the Company.

The informal investigation shall be recorded on an incident report which shall contain the following information.

DATE:

LOCATION:

EMPLOYEE NAME AND PIN #:

SUPERVISOR'S NAME AND PIN #:
BRIEF DESCRIPTION OF THE INCIDENT:
EMPLOYEE'S REMARKS (OPTIONAL):
SUPERVISOR'S REMARKS:
CORRECTIVE ACTION:

A copy of the incident report shall be given to the employee when action has been decided upon, and a copy shall be placed on the employee's file.

In cases where the assessment of discipline is deemed warranted, the employee will be advised in writing within fourteen (14) calendar days from the date the incident is reviewed with the employee. The discipline will be reviewed with the employee concerned. A copy of the discipline form will be sent to the officer of the Union authorized for that purpose.

Should the employee accept all the conclusions of the Company, but not the discipline assessed, the employee so notified may initiate an appeal of the discipline in accordance with the provisions of Step I of the grievance procedure.

Should the employee disagree with any of the conclusions reached by the Company during the informal investigation, the employee (or their duly authorized union representative) may, within fourteen (14) calendar days of receipt of notification of discipline, advise the proper officer of the Company that they require that a formal investigation be held pursuant to Rule 27.2, which will then be held without undue delay. In such instances, the incident report and the discipline assessed through the informal investigation procedure will be considered null and void.

FORMAL INVESTIGATION

27.2 Except as provided in this Rule 27, when a formal investigation is to be held, the employee and the designated union representative will be given 24 hours' notice of the investigation and will be notified of the time, place and subject matter of such investigation. (Notification to the designated union

representative may be given verbally.) This shall not mean that the proper officer of the Company, who may be on the premises when the cause for such investigation occurs, shall be prevented from holding an immediate investigation.

When employees are required to make statements on matters affecting the Agreement, Company working rules or compensation, a duly authorized representative of the employees shall be present, except that when employees are required to make statements on matters not affecting the Agreement, Company working rules or compensation, the employee may have a fellow employee or an authorized representative of the Union present.

At or prior to the commencement of the hearing, the employee (and the authorized representative if present) will be provided with a copy of all the written evidence as well any oral evidence which has been recorded and which may have a bearing on their involvement. Sufficient time will be allowed the parties to peruse the evidence. However it is not the intent of this to delay the investigation process due to an unreasonable amount of time taken to peruse the evidence. The employee and the authorized representative will have the right to hear all of the evidence submitted and will be given an opportunity through the presiding officer to ask questions of the witnesses (including Company officers where necessary) whose evidence may have a bearing on their involvement. Where witnesses cannot be present, arrangements will be made to permit them to be questioned upon request, where practicable. The questions and answers will be recorded and the employee and the authorized representative will be furnished with a copy of statements and all other evidence taken. In the event that the Company obtains new evidence having a bearing on the employee's responsibility, and prior to the assessment of discipline, a copy of such evidence will be provided to the employee, and to the duly authorized union representative.

This memorandum of agreement would be subject to cancellation by either party on thirty days notice

APPENDIX IV

CANADIAN NATIONAL RAILWAY COMPANY

MEMORANDUM OF UNDERSTANDING between the Canadian National Railway Company and the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW - Canada) Local 100 respecting vacation allotment for certain Shopcraft employees at running repair points.

IT IS UNDERSTOOD THAT:

1. The Letter of Understanding dated January 8, 1973 providing the continuation of the 1972 arrangement for splitting vacations is cancelled.
2. In the application of Rule 46.1(d) of this Agreement the maximum vacation that will be allotted to an employee at any one time will be four weeks. The remainder - fifth week or less - will be allotted at another time.
3. In the application of Rules 46.1(e) and (f) of this Agreement the maximum vacation that will be allotted to an employee at any one time will be four weeks. The remainder - sixth week or less - will be allotted at another time or will be paid for in accordance with Rule 46.1(f).
4. Where an employee's vacation is split under the terms of Item 2 or 3 above:

-The first period of the split vacation may be taken at any time during the recognized vacation period in accordance with the employee's seniority and choice as specified in Rule 46.3 of this Agreement.

-The second period of the split vacation may not be taken until all junior employees have been allocated vacation dates. It may then be taken in accordance with the employee's seniority and choice

as specified in Rule 46.3 of the Agreement.

5. This Memorandum of Understanding has been in effect since January 1, 1977. It may be cancelled by either party upon proper notice in writing to the other party. Such notice may be served in the month of October of any year to become effective January 1, of the succeeding year.

Signed at Montreal, Quebec, this 14th day of June, 1995.

FOR THE COMPANY: **(Sgd)** W.T. Lineker
Assistant Vice-President

FOR THE UNION: **(Sgd)** J. Moore-Gough
President CAW - Canada,
Local 100

APPENDIX V
(Applicable to Car Mechanics only)

CANADIAN NATIONAL RAILWAY COMPANY

Montreal, Quebec
June 14, 1995

Mr. J. Moore-Gough
President Local 100
National Automobile, Aerospace, Transportation
and General Workers Union
of Canada, CAW - Canada

Dear Mr. Moore-Gough,

This will confirm our understanding in connection with your addendum demand No. 4 respecting wrecking service which was contained in your notice of 1 October 1977. and subsequent demand during 1993 negotiations.

The Company will continue to practice the same local policies, as are in effect on this date, with respect to the size of crew consists for conventional auxiliary service and high rail cranes. At points where such auxiliaries and high rail cranes are located, local management will meet with representatives of the Shopcraft organization during the closed period of the contract. The sole purpose of these meetings will be to confirm the policies referred to above presently in effect at such locations and not to negotiate new or revised rules. This understanding will remain in effect subject to cancellation upon sixty days' notice from either party to the other.

The letter of understanding dated March 1, 1976 on this subject is hereby cancelled. In addition the addendum demand mentioned above is considered settled insofar as CN is concerned.

If you concur with the foregoing please sign in the spaces provided below.

Yours truly,

(Sgd) W.T. Lineker
Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) J. Moore-Gough
President
CAW - Canada Local 100

APPENDIX VI

CANADIAN NATIONAL RAILWAYS

Montreal, Quebec
June 14, 1995

Mr. J. Moore-Gough
President Local 100
National Automobile, Aerospace, Transportation
and General Workers Union
of Canada, CAW - Canada

Dear Mr. Moore-Gough,

This will confirm the understanding reached to the effect that in the application of Rule 23.17 of the Agreement the following will apply.

In the event of a reduction in staff at a shop involving more than one employee, the employees at the shop affected by such reduction in staff shall be permitted to exercise their seniority in accordance with the provisions of Rule 23.14 at the point to which they transfer on their basic seniority territory. Such displacement shall only be amongst those employees displaced by the reduction. The employees from the shop affected by the reduction in staff shall be given an opportunity to displace in seniority order and in the order of their preference on those positions directly affected by the staff reduction. The employees laid off at the main shops will state their intention to displace at the time of the layoff.

This letter of understanding shall remain in effect until December 31, 1997 and will be subject to renewal

by mutual agreement between the parties hereto.

If you concur with the foregoing, kindly affix your signature in the space provided.

Yours truly,

I CONCUR:

(Sgd) W.T. Lineker
Assistant Vice-President
Labour Relations

(Sgd) J. Moore-Gough
President
CAW - Canada Local 100

APPENDIX VII

CANADIAN NATIONAL RAILWAY COMPANY

Montreal, Quebec
June 14, 1995

Mr. J. Moore-Gough
President Local 100
National Automobile, Aerospace, Transportation
and General Workers Union
of Canada, CAW - Canada

Dear Mr. Moore-Gough,

This letter cancels and supersedes letter dated May 21, 1974 with respect to those Main Shop employees whose maximum vacation entitlement is one week or more less than the period of shop close-down for vacation purposes, being permitted to transfer temporarily to running service.

With respect to the above, it is agreed that the co-operation referred to in Rule 46.4 (g) will include the principle of granting additional running point mechanics, Apprentices, helpers and coach cleaners vacations during the period of the close-down at Main Shops, so that the employees referred to in paragraph 1 may be permitted to temporarily transfer to line shop as vacation relief. The granting of such additional vacations will only be considered to the extent that there are mechanics, Apprentices, helpers and coach cleaners fully qualified to immediately and adequately perform the work on the vacancies thereby created.

It is understood by the parties that agreement to the above does not mean that all employees referred to in paragraph 1 would be given the opportunity of transferring temporarily to line shops, but only that

number required to ensure efficient operation of the line shop. The parties will also take cognizance of the fact that although mechanics may be fully qualified in their trade, they will not necessarily be familiar with line work and, therefore, it would not be feasible for the Company to release line shop employees for vacation purposes to the extent that line shop operations would be affected because of these vacation relief employees being unfamiliar with line operation.

It is also understood that to ensure efficient vacation planning at line shops, those Main Shop employees wishing to transfer shall make their intention known by February 28th. An employee whose application for transfer has been accepted will only be permitted to withdraw such application for just cause as provided for in Rule 46.4 (h), or by agreement between the employee and the Company.

Yours truly,

(Sgd) W.T. Lineker
Assistant Vice-President
Labour Relations

APPENDIX VIII

CANADIAN NATIONAL RAILWAY COMPANY

Montreal, Quebec
January 12, 1993

Mr. T. Wood
President Local 100
National Automobile, Aerospace and
Agricultural Implement Workers Union
of Canada, CAW - Canada

Dear Mr. Wood,

The following letter will be sent to line management:

"This will confirm the understanding reached during negotiations concerning the policy which is to be adopted with respect to employees who, because of severe snow conditions, either report late for work or are unable to report at all.

All employees are expected to make every effort to report for work on time, notwithstanding snow or storm conditions. However, in the circumstances quoted above, it is agreed that employees, except Running Trades and Sleeping, Dining and Parlor Car employees, who arrive late for their assignments, but report prior to the mid-point of their tour of duty, will be paid for the day provided such late arrival is directly attributable to the aforementioned severe snow conditions. Employees who report after the mid-point of their tour of duty will be paid one-half day.

With respect to employees who are unable to report for work due to the aforementioned severe snow conditions, or who report after the mid-point of their tour of duty, it is agreed that notwithstanding the provisions of the collective agreement, such employees may be given the opportunity to work additional hours at straight time rates in order to make up part or all of such lost time. It is understood that such arrangements will only apply insofar as they do not conflict with the provisions of the Canada Labour Code.

The above policy only applies when the proper municipal authorities have requested the public to leave their motor vehicles at home and local public transportation services are not operating due to snowstorm.

The nature of work in which the Running Trades and Sleeping, Dining and Parlor Car staff are involved results in certain vagaries and uncertainties from day to day. Furthermore, the collective agreements covering these employees contemplate their services being interrupted by storm conditions and there are arrangements in their collective agreements in respect thereto. Alternatively, it is recognized, generally speaking, that opportunities will occur for such employees to make up lost miles or time resulting from storm conditions. Therefore, no special arrangements are contemplated for these employees."

Yours truly,

(Sgd) W.T. Lineker
Assistant Vice-President
Labour Relations

APPENDIX IX

CANADIAN NATIONAL RAILWAY COMPANY

Montreal, Quebec
January 12, 1993

Mr. T. Wood
President Local 100
National Automobile, Aerospace and
Agricultural Implement Workers Union
of Canada, CAW - Canada

Dear Mr. Wood,

This will confirm our understanding of the application of Rules 23.11, 23.12, and 23.13 of the Agreement in respect of a temporary position which is subsequently bulletined as a permanent position.

Unless such temporary position has been filled by the senior employee entitled to it under the provisions of the agreement, the permanent vacancy will be bulletined pursuant to paragraph 1 of Rule 23.13.

If this meets with your understanding would you please so indicate in the space provided below.

Yours truly,

(Sgd) W.T. Lineker
Assistant Vice-President
Labour Relations

I CONCUR:

(Sgd) T. Wood
System President
CAW - Canada Local 100

APPENDIX X

TRADES MODERNIZATION AGREEMENT

September 10, 1996

PREAMBLE:

In accordance with the closed period commitment reached between the Union and the Company, the parties formed a Joint Committee on Trades Modernization. The terms of reference of that Committee were to review and where necessary modernize existing trade structures and classifications, and their associated work rules, to achieve greater efficiency and productivity, while ensuring the safety and security of all employees. Furthermore, the parties agreed to enhance the skills of existing employees and to achieve the portability of the trades to outside the Rail Industry.

Conditions and terms of the Collective Agreements shall be amended as indicated below.

The Union and the Company, as parties to the Collective Agreement, and with the valuable assistance of Mediator V. Ready, have agreed to the following:

1. The Company shall ensure that all employees are properly trained to achieve Tradesperson status within their trade and enable those employees to complete their assignments in a safe and efficient manner. On the job skill development and classroom training will be provided to the extent necessary to enable employees to continually upgrade their knowledge, skills and abilities within their recognized trade.
2. The Company shall provide in-house and recognized technical school programs for the development of skills, and improved employee awareness of their work responsibilities. The importance of safe work practices and vigilance shall be included in all training programs. The Company and the Union shall cooperate in the development of training programs and modules. The Company shall

continue to provide additional training to employees when it deems it appropriate.

3. No one in the bargaining unit will have their rate of pay reduced as a result of any provision of this agreement. No employee will be denied a position in his new trade as a result of not having received proper training. No existing employee will lose his or her employment or suffer a reduction in pay as a result of failure to meet the standards of the new trade. Special cases shall be referred to the L.A.C. for review.

4. The Company and the Union agree that there shall be three recognized trades: Car Mechanic, Heavy Duty Mechanic, and Electrician.

5. Tradespersons shall perform the duties of their trade. However, where due to the nature and volume of traffic or workload there is insufficient work at a line point to justify the existence of a full time position in a trade, a tradesperson of a different classification may be used to perform minor work of another trade to keep a piece of equipment in service. An illustrative list of the tasks which may be performed by another trade under this provision is attached in Appendix 1. Furthermore, the Company shall not utilize this provision at any line point without giving as much advance notice as possible to the respective Vice President of the Union including a written account of the full particulars on the changes to the nature or volume of work or traffic. Except in instances of unavoidable circumstances, at least 10 calendar days notice shall be provided unless otherwise mutually agreed. The change in work assignment, if disputed, shall be grievable in accordance with the provisions of the Dispute Resolution Process. The burden of proof in such a dispute rests with the Company.

In order to expedite train operations at a train yard, when minor defects are reported on a locomotive, and a Car Mechanic is readily available and a Heavy Duty Mechanic is not, the Car Mechanic may be required to perform such minor repairs.

6a. In instances of temporary shortages in a specific trade at a back shop as a result of project work between 14 and 89 days duration, the Company can utilize employees in one trade to perform work in another trade for which they are qualified, provided that such assignments will not result in the lay off of

an employee in the other trade. In instances where there are employees on lay off status in the receiving trade at the location, the Union agrees to an expedited recall procedure to determine whether the laid off employees desire the work in question.

6b. The following conditions will apply with respect to Article 6(a):

- i) is only applicable at a back shop;
- ii) is not a substitute for normal overtime;
- iii) the local Chairperson will assist to ensure an expeditious implementation;
- iv) the trades people coming in will only be used for work for which they are already qualified;
- v) the Company will consult with the Union in each instance prior to the utilizing of this provision.

7. Any grievance which may arise with respect to the application of the Trade Modernization Agreement shall be progressed in accordance with the Special Dispute Resolution Process as contemplated hereunder.

8. The parties will use their best efforts to ensure full implementation of this Trade Modernization Agreement in an expeditious manner. The Union and the Company commit to working jointly to ensure the success of trade modernization into the future. A process will be instituted on a semi-annual basis to review, enhance and fine-tune the existing trades.

9. Nothing in this agreement is intended or should be construed to either expand upon or diminish the scope of work of this bargaining unit in relation to any other bargaining unit(s), non-bargaining unit employees or outside agencies or contractors. However, it is understood that supervisors will not perform bargaining unit work except in instances of emergencies.

10. In the event that new technologies arrive that do not fit obviously within one of the three modernized trades, the matter may be referred for Disputes Resolution under the terms of this Agreement.

11. Employees will, as far as practicable, be assigned to the modernized trades in accordance with the principles of natural flow as follows;

Generally,

- Machinists would flow to Heavy Duty Mechanics;
- Carmen would flow to Car Mechanics;
- Electricians would remain Electricians or flow to Heavy Duty Mechanics;
- Blacksmiths would flow to Heavy Duty Mechanics or Car Mechanics;
- Boilermakers would flow to Heavy Duty Mechanics or Car Mechanics;
- Pipefitters would flow to Heavy Duty Mechanics or Car Mechanics;
- Sheet Metal Workers would flow to Car Mechanics or Heavy Duty Mechanics.

The principle of the above is that employees will go to the modernized trade to which their work flows. Seniority rules will govern when employees have more than one option. Every effort will be made to avoid unnecessary disruptions to the operation or to employees' lives in the implementation of this process.

12. The Company, prior to implementing this agreement at any location, will notify the Union of the number of positions there are to be in each trade. In the event of a dispute, it may be progressed in accordance with the Disputes Resolution Procedure beginning at the Labour Adjustment Committee stage.

13. New seniority lists will be established in accordance with the following principles:

1) active tradespersons acting as tradespersons will have their earliest regional tradeperson seniority date dovetailed into their new tradeperson seniority list.

2) employees on lay off at the time of implementation will be dovetailed onto a supplemental recall list to the trade(s) to which their work flows and will be subject to recall to their new trade in accordance with such list.

3) when two or more employees have the same seniority date, their relative seniority standing on their respective seniority list shall be determined as follows;

i) the employee with the greatest service in the bargaining unit

ii) if i) is the same, the employee with the greatest amount of service with the Company will be senior

iii) if ii) is the same, the employee who first signed the Company's application form, from which he was hired, shall be senior

iv) if iii) is the same, or is unable to be determined, the employees' names shall be placed on the seniority list as mutually agreed by the proper officer of the Company and the respective Vice President of the Union

14. Implementation of this Agreement shall commence on or after October 15, 1996.

15. The parties agree to meet within 60 days of the signing of this Agreement to modify the terms and conditions of Collective Agreement 12 and Collective Agreement 12.90 to reflect the intent of this Agreement. Any disputes regarding the modifications of the Collective Agreements shall be referred through the Dispute Resolution Procedure to Mediator/Arbitrator V. Ready for final and binding resolution.

Trade Classifications:

Employees in the Mechanical Department at CN governed by the CAW - Shopcraft Collective

Agreements 12 and 12.90 shall henceforth be designated as one of the following:

Car Mechanic

Car Mechanics work shall consist of inspection, maintenance and repair of freight and passenger cars and performance of all other work, including wrecking service, that is generally recognized as Car Mechanic's work.

Heavy Duty Mechanic

Heavy Duty Mechanics work shall consist of inspection, maintenance and repair of motive power units and performance of all other work that is generally recognized as Heavy Duty Mechanic's work including facility maintenance.

Electricians

Electricians work shall consist of inspection, maintenance and repair of electrical and electronic high or low voltage circuitry systems on motive power and rolling stock and all other work generally recognized as Electrician's work including facility maintenance.

Note: Where Provincial regulations require that the employees performing these tasks be licensed, the Company will assist the employees in accordance with the Education Financial Assistance Plan and pay costs to obtain the required certificates.

The above trade classifications will be finalized at the time of modifying the terms and conditions of Agreements 12 and 12.90 and are intended to include all work and jurisdiction found in the previous Shopcraft Collective Agreements except where expressly modified by this Agreement.

Overlap Between Electricians and Heavy Duty Mechanics

Electricians will have sole responsibility for all locomotive electrical troubleshooting, all electrical repairs, rewiring or rebuilding, all electrical bench and component work or work in the electrical cabinet, and all high voltage work. Heavy Duty Mechanics may be assigned to perform trip inspections, pre-release and mileage inspections, or replacements or changeouts of parts or electrical components, without the need to call an Electrician. This will not restrict the use of Electricians to perform these functions when necessary.

The following examples arose in the course of discussion and are not meant to be exhaustive or characteristic, but are only listed for illustration:

- 1) Electricians need not be assigned to disconnect traction motor cables
- 2) If a locomotive is shopped with an axle generator cable having been knocked loose, the Heavy Duty Mechanic may be assigned to reconnect it.
- 3) Following a mileage inspection, the Heavy Duty Mechanic starts up the locomotive to perform running checks and notices a cab heater is not functioning. Upon removing the cover, he sees that a brush is disconnected. He may replace the brush without the need to call an Electrician.

Helpers

The Helpers classifications of the various trades will be dealt with in the same manner as the tradespersons classifications, and shall be subject to further review between the Union and the Company.

Dispute Resolution Procedures

- 1) Should a dispute arise as a result of trade modernization related to the application or

implementation of this agreement, the regional Vice President or his designate of CAW Local 100 who represents the region or employee affected may refer the matter in dispute in writing to the Chief Mechanical Officer for resolution within 7 calendar days of the dispute arising. The referral must identify the Article and paragraph of the Article that is alleged to have been violated or involved.

2) The Chief Mechanical Officer or his designate must respond in writing within 7 calendar days of receipt of the Union submission. Should the matter not be resolved, either party may refer the matter to the Labour Adjustment Committee for review. The LAC must be convened and hear the dispute within 7 calendar days of the request for review. The Company shall not proceed with further implementation of the matter in dispute until such time as the LAC has agreed to a resolution of the dispute or the matter has been referred to and adjudicated upon by the Mediator/Arbitrator under the terms and conditions that follow hereunder. However if the Union does not agree to convene the LAC within the said 7 day time limit, the Company may proceed with further implementation, notwithstanding the above.

3) If the LAC does not resolve the dispute either party may refer the matter to the designated Mediator/Arbitrator for final and binding resolution. Failure to refer the matter to the Mediator/Arbitrator within 7 calendar days from the date the LAC heard the dispute and failed to resolve the matter will result in the matter being considered to have been dropped and further implementation will proceed.

4) The Mediator/Arbitrator agreed to and designated by the parties to mediate/arbitrate disputes will be Vince Ready, or in his absence Colin Taylor unless otherwise mutually agreed to by both parties. If the Arbitrator is not available within a reasonable time frame, the parties will attempt to agree on an alternate Arbitrator for that dispute. Should the parties be unable to agree on an alternate Arbitrator the matter would be referred to the Federal Mediation Conciliation Services who shall appoint a Mediator/Arbitrator on behalf of the Minister for that dispute.

5) The Jurisdiction of the Mediator/Arbitrator shall extend and be limited to solely the mediation and expedited arbitration of specific disputes respecting the meaning or alleged violation of one or more specific provisions of this agreement concerning trade modernization between the Union and the Company.

- 6) The special mediation-expedited arbitration process will be conducted in accordance with the instructions of the Mediator/Arbitrator, or as otherwise agreed to by the parties at the time of the commencement of the proceedings.
- 7) Each case referred to the Mediator/Arbitrator must have a signed Joint Statement of Issue. Should the Company and the Union fail to reach agreement on a Joint Statement of Issue either party may submit an ex-parte Statement of Issue, provided 48 hours prior to proceeding ex-parte, that party has advised the other party of its intention to proceed ex-parte and has provided a copy the ex-parte Statement of Issue to the other party.
- 8) The decision of the Mediator/Arbitrator shall not, in any case, add to, subtract from, rescind, or disregard any provisions of this Trade Modernization Agreement nor any provision of Collective Agreement 12 and Agreement 12.90.
- 9) Each decision of the Mediator/Arbitrator which is made under the terms of this agreement shall be final and binding upon the Company and the Union as well as the employee(s) involved.
- 10) The Company and the Union agree that the powers of the Mediator/Arbitrator are restricted by and to these rules notwithstanding any other agreement to the contrary. The Mediator/Arbitrator shall not have the power to modify these agreed upon rules without the expressed written consent of both the Company and the Union.
- 11) In the event that the parties encounter difficulties in implementing the decisions of the Mediator/Arbitrator, the Company and the Union agree that the Mediator/Arbitrator will remain seized of each of the cases presented to him for arbitration.
- 12) The decision of the Mediator/Arbitrator shall not be reviewed in any court by either the Company, the Union or the employee(s) involved.
- 13) This special mediation/arbitration session shall be held at times and places as mutually agreed

upon by the parties or as otherwise determined by the Mediator/Arbitrator. All fees charged by or costs incurred by the Mediator/Arbitrator shall be shared equally between the Company and the Union.

IMPLEMENTATION COMMITTEE

TRADE MODERNIZATION

Implementation of trade modernization shall commence on or after October 15, 1996.

System implementation will progress from Toronto to Edmonton and then Winnipeg. During this time regional implementation committees will implement the Agreement to the Great Lakes, St. Lawrence and Atlantic Regions, the Mountain Region, and the Prairie Region.

During the several meetings that were held with respect to the trade modernization, the parties agreed that in order to properly implement trade modernization, an implementation committee would be formed.

Prior to implementation the Company will appoint at least 2 Company officers to the System Implementation Committee. The Union will appoint an equal number of Union Officials to the System Implementation Committee. These people shall be responsible for the implementation of the Agreement at the 3 major locations and to ensure that qualified sub-implementation committees implement the Agreement expeditiously throughout the System at the facilities, train yards and line points. The Company will assume all costs of these Committees including regular wages, benefits, and reasonable O.C.S. expenses in accordance with Company policy.

APPENDIX 1

Change or adjust brake shoes or other brake components on cars or locomotives and boosters.

Check and top up fluid levels in locomotives.

Inspect, repair or replace air brake hoses, train lines,

Replace fuel filters in locomotives.

Remove and replace radio bases or radio headsets in locomotives or cabooses.

Replace or adjust/repair windshield wiper blades/arms in locomotives or cabooses.

Replace bell ringer cartridge in locomotives.

Replace/repair coupler head components.

Replace/repair safety appliances.

Repair door locks/latches on locomotives.

Replace hot plates, refrigerators, water coolers in locomotive cabs or cabooses

Change out IDU or SBU components.

Repair windows on locomotive cabs or cabooses. Repair seats.

Replace 27 pin jumper cables

Replace sand hoses, nozzles.

Repair handrails.

Replace light bulbs.

Check fuses, breakers.

Turning of switches and throwing of breakers to test electrical components.

The foregoing represents full and final settlement of the closed period commitment on Trade Modernization between the C.A.W./T.C.A. Canada and Canadian National.

Signed in Winnipeg, Manitoba this 12th day of September 1996.

For the Company,	
For the Union,	(Sgd) J. P. Mathieson Chief Mechanical Officer
(Sgd) J. Moore-Gough President, Local 100	(Sgd) D. Fisher
(Sgd) D. Wray	(Sgd) J. Pasteris
(Sgd) R. Webber	(Sgd) J. Dunn
(Sgd) G. Delorme	(Sgd) D. Dolphin
(Sgd) R. Marsden	(Sgd) B. Dolphin
(Sgd) L. Lilley	(Sgd) O. Cheladyn

(Sgd) P. Melanson	
(Sgd) R. Senz	
(Sgd) V. Ready Mediator	

Winnipeg, Manitoba

September 12, 1996

Mr. John Moore-Gough
President Local 100
CAW/TCA Canada

Dear Mr. Moore-Gough,

This is with reference to our discussions leading up to the Agreement on Trade modernization.

To clarify somewhat ambiguous language that could lead to potential confusion, we felt it necessary to confirm our understanding with regards to the intention of the parties in Article 5. It is agreed that the requirement to provide the Union with the 10 days advance notice applies only to modifications to staffing levels or inter-trade hybridization due to the changes in train service specifications, or schedules, or equipment design or losses or gains in customer demands at a given line point, after the initial implementation. It was not contemplated that the Company would have to provide advance notice prior to requiring a Car Mechanic to perform minor repairs to locomotives to expedite train operations at a train yard.

If this represents your understanding, please signify your concurrence by countersigning below and returning an original copy of this letter for our files.

Thank you for your cooperation on this matter.

Yours truly,

I agree,

(Sgd) D. S. Fisher
Director Labour Relations

(Sgd) John Moore-Gough
President, Local 100
CAW/TCA Canada

APPENDIX XI
APPRENTICESHIP
(TO BE REVIEWED AND AMENDED
BY THE TRADE MODERNIZATION COMMITTEE
DURING THE CLOSED PERIOD)

CANADIAN NATIONAL RAILWAY COMPANY

Montreal, Quebec
January 12, 1993

Mr. T. Wood
President
Local 100
National Automobile, Aerospace and
Agricultural Implement Workers Union
of Canada, CAW - Canada
218-96 Norwood Avenue
Moncton, New Brunswick
E1C 6L9

SUBJECT: Carman Apprentice Program

Dear Mr. Wood:

In 1982 meetings with officers of the Equipment Department, Labour Relations and members of your

organization were held to negotiate amalgamation of the Carman Apprentice and Carman Trainee programs into a new three year Carman Apprentice program. At that time, a paper describing the general provisions of the Apprentice Program was also reviewed. Attached is a revised copy of this paper amended to reflect the present situation.

At present we are reviewing material in order to develop a System package for use at all locations. This package will also include related test standards and procedures in order to ensure Carmen graduating out of the new program will meet certain basic qualifications. As you know, the new program will consist of certain core material and subjects. It also provides for optional training to meet the specific work needs of individual locations. We expect that the joint Union-Management Apprenticeship Committees will be active in determining the types of optional training required and the manner in which this will be administered. When ready, a copy of this package will be forwarded to you for your information and comments.

In 1982, concerns were expressed that where an employee did not receive certain training, the Company might not consider that employee fully qualified. The Company assured your people that qualifications of a Carman who has graduated from the apprenticeship program will not be questioned insofar as work activities defined within the new core program. Additionally, the Company assured your members that should an employee be the senior applicant for a bulletined position requiring additional training, such employee, on displaying the necessary aptitude and desire to learn, will be given the opportunity to learn the job requirements of the new position.

Considerable discussions were held concerning administration of the new Apprentice program, particularly the time devoted to each segment of the program. It was emphasized to your committee that given the broad range of facilities and differing work performed at locations across the System, considerable variation in the degree of training to be given was expected. In this connection, it was also emphasized that the large number of Apprentices expected in the new program will create very serious scheduling difficulties. Added to this is the fact that new and on-going work requirements must be met.

While faced with the foregoing problems, we are committed to ensuring that Apprentices graduating

from the new program have acquired the necessary skills and experience to carry out the requirements of the Carman Craft in an entirely competent manner. We expect that the Regional and Shop Apprentice Committees will be instrumental in resolving problems encountered in administration of the program. Moreover, I would like to meet with you and your committee no later than 01 June 1986 to review implementation of the program and to discuss any problems not resolved by the Regional and Shop Committees.

Please acknowledge the above understanding by signing and returning to me the enclosed duplicate copy of this letter.

Yours truly,

(Sgd) V.H. Mizrahi
Chief of M.P. & C.E.

Encl.

Acknowledged:

(Sgd) T. Wood
System President
CAW - Canada Local 100

CARMAN APPRENTICESHIP PROGRAM

All persons hired into the Carman Craft after 01 December 1985 will have to complete this program before being qualified as a Carman.

The purpose of the Carman Apprenticeship Program is to provide a person with the knowledge of:

- the standards for maintenance of freight car equipment
- the importance of safe work habits

And who can upon successful completion of the program perform:

- freight car repairs
- train inspection and servicing
- air brake repairs and adjustments
- arc welding
- oxy-acetylene cutting and heating

To a standard established by:

- written tests
- practical on job evaluation

The proposed Carman Apprenticeship will be a 3-year program consisting of:

- intensified training of a basic core
- on-job experience (enhancement of basic core)
- optional training as required locally

This program will be administered by a:

- System Equipment Dept. Training Function
- Regional or Main Shop Equipment Dept. Training Function

The System Function, in consultation with the System Union Management Committee, will be responsible for all program content. It will ensure that all theoretical material and tests meet CN System Standards. It will be responsible for developing and maintaining a system standard job evaluation process. It will coordinate the Regional optional training to reduce duplication and/or confliction in material being used.

The Regional Function, in consultation with the System Union Management Committee, will be responsible for the scheduling of Apprentices to ensure they receive the basic core training. It will arrange for proper documentation of the Apprentice's progress, throughout the program so that upon completion a record of all locations and time spent is available. A copy of all such documentation will be on the Apprentice's personal file. The Regional Training function will also determine extent of job experience and optional training required. In conjunction with the System Function it will develop necessary theoretical material for optional training.

Regional and Main Shop Apprenticeship Committees consisting of Management and CAW - Canada Local 100 General or Local Chairpersons will be established. These Committees will develop and recommend changes that may be required locally in the program content and/or scheduling and in the optional training requirements. They will also monitor the administration of the Apprentice program generally to ensure an adequate level of training to meet program standards.

Every effort should be made to hire Apprentices who have acquired education and experience which will assist them in becoming competent Carmen.

The following are desirable pre-requisites:

- Trade related high school graduate
- Basic mathematics

- Principles of drafting, blueprint reading and sketching
- Use of measuring instruments and tools
- Safe use of hand and power tools
- Arc Welding
- Oxy-acetylene cutting and heating

In some situations it may become necessary to hire applicants who do not have these pre-requisites.

As some knowledge of these items is required in the performance of a Carman's duties, it will be necessary to provide training within the basic core to obtain some level of competency.

Training of oxy-acetylene cutting and arc welding has been provided within the basic core. Should applicants be hired who meet the Company standards in these items, they will not receive a credit for training time.

There will be no credits given in the program.

**Carman Apprentice Program Content
(156 Weeks)**

Description	Intensified Training	Job Experience	Further Job Experience and Optional Training
Freight Car Repairs (incl. oxy-acetylene heating and cutting)	12 weeks	24 weeks	90 weeks
Arc Welding	4 weeks	2 weeks	
Yard Inspection	8 weeks	16 weeks	

Classroom and instruction will be provided by the Company to permit Apprentices to reach the desired level of competency.

NOTE: Intensified training will be carried out in classroom and on-the-job under the guidance of an instructor.

Job experience contemplates that the Apprentice will be rotated through the work areas specified to acquire training through actual work performance.

The length of time shown for each segment is a basic guide for the administration of standard training but will vary dependent upon the work to be performed at the Apprentice's work location and scheduling limitations. The balance of the apprenticeship program will be devoted to acquiring further on-the-job experience and to carry out required optional training.

INTENSIFIED TRAINING

The Basic Core (intensified training) will consist of theory material and tests, practical training and evaluation which will be given to every Carman Apprentice.

This is the minimum training every Carman Apprentice will receive.

The theory material will be presented in a classroom situation on a scheduled basis where sufficient Apprentices are employed to make a class. Where there are insufficient numbers for a class at a specific point, the Apprentice(s) will be sent to a training facility at a larger point where a class can be made up.

The theory material will be a CN System training package complete with written tests, which will be administered at major repair points.

The practical training will be done under the group concept, with an instructor/lead hand, at those locations where there are sufficient Apprentices to form and maintain groups. At other locations Apprentices will be placed with Mechanics to obtain this training. At all locations it will be the responsibility of the supervisor in charge in conjunction with the Regional Training Function to ensure the training is carried out.

The practical evaluation will be an on-job evaluation of tasks as identified on the Apprentice Summary Sheet. A rating system is identified on the Apprentice Performance Report for use by the Instructor or supervisor. Each evaluation will be identified as to date done, name of evaluator and indication that the Apprentice concerned is aware of the evaluation having been done. Each Apprentice will have their own Apprentice Record Book which will record actual job experiences.

The basic core will be the same for the entire System.

In the best situation it would be preferable that the Apprentice follow the training program in a progressive manner, i.e. all the intensified training first, then the job experience, etc. Due to scheduling problems and periods of high manpower demands at certain locations it may be necessary to provide individual sections of the basic core only and go to periods of job experience before completing the basic core.

An Apprentice must not be placed in a job experience situation without having had the minimum basic training core for that job exposure. Further to this, Apprentices must receive basic core in Freight Car Repairs before being placed in Yard Inspection training.

Except for this stipulation the scheduling of Apprentices through the program will be under the direction of Regional and Main Shop Apprenticeship Function.

Such established schedules and any subsequent changes should be discussed with Regional and Main Shop Apprenticeship Committees.

INTENSIFIED TRAINING & EVALUATION

Arc Welding	Freight Car repairs	Yard Inspection
Flat	Truck Repairs	Blue Flagging
Horizontal	Repack	Radio System
Vertical	Underframe	Bad Order Procedures
Overhead	Couplers	Reporting Forms
E-2 Rating	Center Plates	Inbound Inspection
	Side Bearings	Outbound Inspection
	Superstructure	Air Tests
	Safety Appliances	AAR Rules
	Doors	Open Top Loading
	Pipe Repairs	Dangerous Commodities
	Brakes	Placarding
	Oxyacetylene Heating & Cutting	Safety Appliances
	Shop Safety	Perishable Traffic
	Car Identification	Yard Safety
	Maintenance Regulations	
	Modifications	

JOB EXPERIENCE

Job Experience may consist of 3 periods of additional experience on the job. These tasks to consist of those related to:

- Freight Car Repairs (Main Shop or Repair Track)
- Freight Car Inspection (Running Yard)
- Welding

The availability of positions in these tasks will be governed by the workload. These positions may be anywhere in the terminal, regardless of location, shift or assigned days off.

During this time Apprentices may be required to work together in productive positions without direct supervision.

Carman Apprentices will be considered as being available for "job experience" after they have received the intensified training for that position and have been evaluated as being capable of performing the work.

If positions are not available in some of the above and it is deemed not necessary to provide further experience for local needs, it will not be necessary to move the Apprentice to another terminal to obtain this experience. The decision as to what "job experience" is necessary should be made in consultation with the Regional and Main Shop Apprenticeship Committees.

During this period, additional theoretical material including tests, related to the jobs being performed will be made available.

JOB EXPERIENCE

Three Periods of Additional on the Job Experience.

Freight Car Repairs

Box - cushion devices, sliding sills, sliding, plug and bulkhead doors, pipe repairs, methanol heaters

Open Top - end and bottom doors, removable roofs

Covered Hoppers - discharge outlets, hatch covers, running boards

Flat - side rails, trailer hitches, tie downs, bulkheads, tri and bilevels

Yard Inspection

Perishable traffic, open top loading, tank car inspection, dimensional loads, methanol heaters, mechanical refrigeration.

Welding

On car and/or components.

OPTIONAL TRAINING

Optional training may consist of any of the specialized duties which are part of the Carman Craft and are outside the Basic Core.

These duties are generally only performed at the larger repair centers, i.e. Main shops, major Repair Tracks, Regional Offices.

As they are of a limited number it will not be possible nor necessary for each Carman Apprentice to be exposed to them.

Decision as to the need and location of this training will be made at each Region and Main Shop for their own requirements.

Practical evaluation as noted in intensified training should be done in optional training, including

recording on the Apprentice Summary Sheet.

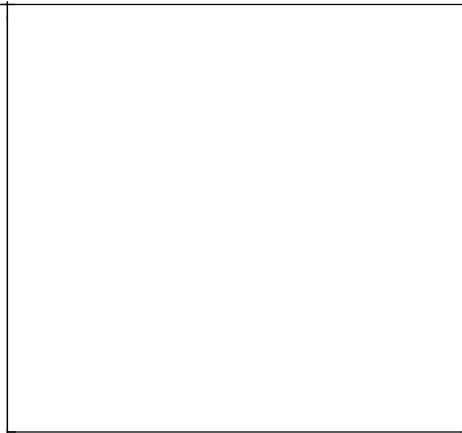
OPTIONAL TRAINING

According to Local Needs

Paint Shop	Woodmill
Fabrication Shop	Air Brake Shop
Brass Shop	Upholstery Shop
A.A.R. Billing	Work Equipment
Work Measurement	Work Study
Drafting	Office Work
Production, Planning & Control	Quality Control Pre-Inspection
Specialized Welding such as pressure welding (E-1 rating) and aluminium welding	Quality Control Freight Inspection
Hopper Car Pressure System	Industrial Inspection

Passenger Car Repairs and Servicing which may include:

- Inspection
- Air Tests
- Heating
- Lighting
- Air Conditioning
- Water System
- Minor Repairs
- Trucks
- Underframe
- Superstructure



APPENDIX XII



Ressources humaines
Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

August 22, 1998

(Car Mechanics Only)

Mr. John Moore-Gough
President, Local 100
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
3542 Walker Road
Windsor, Ontario N8W 3S4
Dear Mr. Moore-Gough:

This will confirm our discussions regarding the provisions of Appendix XVI as in effect on December 31, 1997 which concerned work jurisdiction and train inspection. The Union representatives were gravely concerned that Canadian National had plans to significantly downsize the number of Car Mechanics now employed and currently assigned to perform train inspection duties.

In dealing with the Union concerns, the Company informed you and other National Officers of the Union, that it will continue to look for ways and means to improve operational efficiencies. However, in doing so, the Company was cognizant of its obligation to ensure that persons who perform train inspections duties were qualified to do so.

During these discussions, the parties discussed at some length the Railway Freight Car Inspection and

Safety Rules. The Company assured you that for the period between the date of this letter and December 31, 2000, the Company would continue to employ only Carmen to perform "Certified Car Inspection - CCI" at the following locations across Canada:

REGION	L.P. C.C.I	LOCATION
MOUNTAIN REGION	X	Calgary (Sarc.)
	X	Edmonton
	X	Prince George
	X	Kamloops
	X	Thornton
	X	Vancouver Yard
	X	Jasper
	X	McLennan
	X	Scotford
	X	Smithers
PRAIRIE REGION	X	Melville
	X	Regina
	X	Saskatoon
	X	The Pas
	X	Needing
	X	Symington
	X	Winnipeg
GREAT LAKES REGION	X	Capreol
	X	Hamilton
	X	Hornepayne
	X	Oshawa
	X	Sarnia

	X	Brampton I/M
	X	MacMillan Yard
	X	Windsor
ST. LAWRENCE REGION	X	Garneau
	X	Joffre
	X	Jonquiere
	X	Taschereau Yard
	X	Turcot Yard
	X	Senneterre
ATLANTIC REGION	X	Campbellton
	X	Rockingham
	X	Dartmouth
	X	Sydney
	X	Gordon Yard
	X	St. John
	X	Moncton

NOTE:

C.C.I. - Certified Car Inspector

X - Indicates C.C.I. on originating trains.

It is further understood that during the above referred to period Certified Car Inspectors will continue to perform the related No. 1 Air Brake Tests on freight trains pursuant to the Railway Freight and Passenger Train Brake Rules.

During our discussions, the Company assured you we would keep you informed of current plans as they affect the rationalization of the terminal network across Canada for the years 1998, 1999 & 2000. You

were advised that in a continuing effort to improve operating efficiency, the Company would be proceeding at certain locations across the country to streamline operations.

The Company also informed you that in the implementation of the rationalization of terminals across Canada the provisions of the Employment Security and Income Maintenance Plan (The Plan), would require that the Company serve notice under Article 8 inasmuch as such a change would be an Operational change.

When these changes take place and the Company serves notice under Article 8 of The Plan, employees represented by your Union who are eligible for benefits contained in The Plan, and who comply with the provisions of The Plan, would be governed by the benefits contained therein.

Yours truly,

(Richard J. Dixon)
Assistant Vice President
Labour Relations and
Employment Legislation

(D.E. Waller)
Vice-President
Mechanical

APPENDIX XIII



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

August 22, 1998

Mr. John Moore-Gough
President, Local 100
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
3542 Walker Road
Windsor, Ontario N8W 3S4
Dear Mr. Moore-Gough:

With reference to our discussions during contract negotiations in Montreal concerning Rule 51 Contracting Out.

The Union has expressed its concern that the Company has been relying on Rule 51.1 exception (b) as justification for contracting out work at locations where the Company has created its own workforce shortages through downsizing initiatives.

With respect to the Union's concerns on Rule 51.1(b), the Company confirms that it is not its intent to rely on this exception to justify contracting out at locations where employment levels have been reduced.

The above understanding will be appended to Collective Agreement 12 and will be effective from the date of signing this letter and remain in force until December 31, 2000.

Please acknowledge the above understanding in the space provided below.

Yours truly,

I CONCUR:

(D.S. Fisher)
for Assistant Vice-President
Labour Relations and
Employment Legislation

(John Moore-Gough)
System President
CAW - Canada Local 100

APPENDIX XIV

Application of Former Incidental Work Rule

CANADIAN NATIONAL RAILWAY COMPANY

Montreal, Quebec

June 2, 1997

Mr. J. Moore-Gough

President Local 100

National Automobile, Aerospace, Transportation

and General Workers Union

of Canada, CAW - Canada

Dear Mr. Moore-Gough,

This has reference to our discussions held during the consolidation and re-write of Collective Agreement 12 in relation to the removal of the Incidental Work Rule.

In the removal of the Incidental Work Rule, the parties agree that any task or job duty that was permissible under the former Incidental Work Rule will continue to be performed notwithstanding any provision to the contrary in the Trade Modernization Agreement.

Please acknowledge the above understanding in the space provided below.

Yours truly,

I CONCUR:

(Sgd) R. Bateman
For: Assistant Vice-President
Labour Relations

(Sgd) J. Moore-Gough
System President
CAW - Canada Local 100

APPENDIX XV



Human Resources

Canadian National
Box 8100
Montreal, Quebec, Canada
H3C 3N4

Ressources humaines

Canadien National
C.P. 8100
Montréal (Québec) Canada
H3C 3N4

August 22, 1998

Mr. Gary Fane
National Director of Transportation
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Fane:

During this round of negotiations, you have highlighted the concerns of your membership that with the acquisition of the Illinois Central Railroad, some work may be rationalized on a cross-border basis.

Specifically, in your letter to Mr. Tellier dated February 26, 1998, you served notice that you would seek clear commitments at the negotiating table, in regard to the following two questions, and I quote:

1. "Will work performed in Canada flow to the U.S. (as an example, will the combined railway maintain two customer service centres, or can we expect to see a single future one in Chicago, etc.)?"

2. “Will job numbers be reduced in Canada as a result of the merger?”

Mr. Tellier replied the very next day, inviting you to work together with CN as a team to provide “high quality, reliable service, without unnecessary disruptions” to our customers and to “continue to ensure the competitiveness of Canadian National”.

He went on to say:

“On the basis of this commitment to work together, I can respond to your two specific issues emphatically. I see no reason why this transaction will lead to work performed in Canada flowing to the United States. Nor do I see any reason why it will reduce employment levels in Canada - on the contrary, as I have said, it should increase jobs on both sides of the border.”

Therefore, for the term of this Collective Agreement, the Company agrees that there will be no net reduction of your work and/or jobs as a result of any cross-border rationalization.

In the particular situation of the Customer Service Centres, please be advised that there has been some discussion about moving U.S. related work back to the U.S. so that it could be in closer proximity to the business. These plans were only in a study stage and they will not be acted upon during the term of the Agreement.

Yours truly,

Richard J. Dixon
Assistant Vice-President
Labour Relations and Employment Legislation