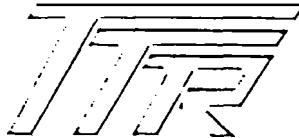


AGREEMENT 5.32

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between



TORONTO TERMINAL RAILWAY COMPANY

and

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

governing

all classes of employees enumerated in the wage scale

Re-written: August 6, 2010

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ARTICLE 1

Definitions

1.1 Work Week

- (a) For regularly assigned employees - a week beginning on the first day on which the assignment is bulletined to work;
- (b) For extra or unassigned employees - a period of seven (7) consecutive days starting Sunday.

1.2 Employee

The word "employee" as used hereinafter shall be understood to mean any employee holding seniority under this Agreement.

1.3 Casual Help

Those persons engaged:

- (a) on a temporary basis to shovel snow, stock and unstock coal, harvest and stock ice or temporary work of a similar nature, or
- (b) as may be agreed between the designated National Representative of the Union and the proper officer of the Company.

1.4 Temporary Vacancy

A vacancy in a position caused by the regularly assigned occupant being absent from duty (including on vacation but excluding pre-retirement vacation) or temporarily assigned to other duties.

1.5 The classification clerk may be subdivided and defined as follows:

Clerical Worker- Employees who regularly devote not less than four hours per day to the writing and calculating incident to keeping records and accounts, rendition of bills, reports, and statements, handling of correspondence and similar work.

Machine Operator - Employees who regularly devote not less than four hours per day to the operation of office or station mechanical equipment requiring special skill and training, such as accounting, calculating, statistical and key punch machines, typewriters, dictaphones, telephone and other similar equipment.

ARTICLE 1 - Definitions - (cont'd)

1.6 Mutually Arranged (or mutually agreed)

An agreement between the proper officer of the Company and the designated National Council 4000 Representative.

1.7 Locally Arranged

An agreement between the local supervisory officer of the Company and the Local Chairperson of the Union.

ARTICLE 2

Recognition and Scope

- 2.1 The Company recognizes the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) as the sole collective bargaining agent with respect to wages, hours of work and other working conditions for all classes of employees enumerated in the wage scale, subject to the following exclusions:

Facility Maintenance Supervisor
Supervisor Rail Operations
Clerical Staff - Superintendent's Office
Supervisor Janitorial Services

- 2.2 When vacancies occur in excepted positions on staffs covered by the agreement, employees holding seniority under this agreement shall be given due consideration.
- 2.3 Supervisors, non-scheduled employees, or employees in other bargaining units shall not engage, normally, in work currently and traditionally performed by members of this bargaining unit.
- 2.4 Employment Equity
- As a matter of principle and in compliance with the Employment Equity Act, the Company and the Union are fully committed to achieving equality in the workplace so that no person shall be denied employment opportunities or benefits based on any of the prohibited grounds of discrimination. Employment Equity means treating people the same way despite their differences, and respecting their differences to allow them to participate equally.

ARTICLE 3

Deduction of Union Dues

- 3.1 The Company shall deduct on the payroll for the last pay period 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 Union subject to the conditions and exceptions set forth hereunder. The pay period containing the twenty-fourth day of the calendar month will be designated as the last pay period of the month.
- 3.2 The amount to be deducted shall be equivalent to the uniform, regular dues payment of the Union and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of the agreement excepting to conform with a change in the amount of regular dues of the Union accordance with its constitutional provisions. The provisions of this Article shall be applicable to the Union on receipt by the Company of notice in writing from the union of the amount of regular monthly dues.
- 3.3 Employees filling positions of a supervisory or confidential nature not subject to all the rules of the agreement as may be mutually agreed between the designated officers of the Company and of the Union shall be excepted from dues deduction except in the application of Article 11.9(a)(iii) where such employees will continue to pay Union Dues for the purpose of continued accumulation of seniority only. Dues payment will be made in accordance with Article 3.2 at an amount equivalent, but no greater than the regular monthly dues payment of the last permanent unionized position held.
- 3.4 Membership in the union signatory hereto shall be available to any employee eligible under the constitution of the Union on payment of the initiation or reinstatement fees uniformly required of all other such applicants by the local concerned. Membership shall not be denied for reasons of race, national origin, colour or religion.
- 3.5 Deductions for new employees shall commence on the first pay period which contains the 24th day of the month.
- 3.6 If the wages of an employee payable on the payroll for the last pay period 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 Company in such month. The Company shall not, because the employee did not have sufficient wages payable to them on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.
- 3.7 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 from the Organization holding the agreement 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.

- 3.8 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, pension deductions and deductions for provident funds shall be made from wages prior to the deduction of dues.
- 3.9 The amounts of dues so deducted from wages accompanied by a statement of deductions from individuals shall be remitted by the Company to the officer or officers of the Union, as may be mutually agreed by the Company and the Union not later than thirty (30) calendar days following the pay period in which the deductions are made.
- 3.10 The Company shall not be responsible financially or otherwise, either to the Union 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 Company shall adjust it directly with the employee. In the event of any mistake by the Company in the amount of its remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amounts payable to the designated officer or officers of the Union.
- 3.11 The question of what, if any, compensation shall be paid the Company by the Union signatory hereto in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on fifteen (15) days' notice in writing.
- 3.12 In the event of any action at law against the parties hereto or either of them resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to Article 3.1, both parties shall cooperate fully in the defense of such action. Each party shall bear its own cost of such defense except that if at the request of the Union counsel fees are incurred these shall be borne by the Union. Save as aforesaid the Union shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

ARTICLE 4

Hours of Work

- 4.1 Except as otherwise provided in Articles 4.2, 4.3, 4.5 and in the Wage Scale, eight (8) consecutive hours of service, inclusive of a 30 minute paid lunch, shall constitute a day's work.
- 4.2 Employees may be assigned to work eight (8) consecutive hours and allowed thirty 30 minutes in which to eat between the end of the fourth and the beginning of the seventh hours of work without deduction of pay.
- 4.3 Where the work is of an intermittent character, there being no work for periods of more than one (1) hour's duration for one (1) or more employees, and their service cannot otherwise be utilized, split trick assignments may be established. Such split trick assignments will be confined to not more than two (2) tours of duty within a spread of twelve (12) consecutive hours. Split trick assignments will not be established until

agreed to by the designated Representative of the Union or, in the case of a dispute, until a decision has been rendered authorizing establishment. The spread of hours may be extended by mutual agreement to take care of exceptional conditions.

- 4.4 Where it has been the practice for weekly-rated employees to work less than eight (8) hours per day, that practice shall be continued unless changed on account of conditions beyond the control of the Company. Should conditions occasionally demand, employees working such reduced hours may be required to work eight (8) hours per day and overtime will not accrue until after eight (8) hours service has been performed. To take care of regular requirements such employees may be required to work extra hours on certain days and overtime shall only accrue after eight (8) hours service has been performed.
- 4.5 Regularly assigned employees who report for duty on their regular assignments shall be paid eight (8) hours at their regular rate. Employees who are permitted to leave work at their own request shall be paid at the hourly rate for actual time worked, except as may be otherwise arranged locally.
- 4.6 Employees shall be allowed a regular meal period of not less than thirty (30) minutes nor more than one (1) hour between the end of the fourth and the beginning of the seventh hours of work unless otherwise locally arranged. Should employees not be allowed a meal period within the agreed hours, they shall be paid for time worked at punitive rates and at the first opportunity allowed 20 minutes for lunch without deduction in pay. Employees will not be assigned a meal period between the hours of 10:00 p.m. and 6:00 a.m.
- 4.7 The starting time of employees on regular assignments shall be the same on all days of the week unless agreed otherwise locally. Not less than forty-eight (48) hours' notice will be given when changes are required. The Local Chairperson shall be notified in writing of such changes. Regular relief assignments will correspond to the starting time, duties and work locations of the employee relieved.
- 4.8 Unless necessary to meet the requirements of the service, employees will not be required to commence work between the hours of midnight and 6:00 a.m.
- 4.9 All possible regular relief assignments with five (5) days work per week and two (2) consecutive rest days (subject to Article 6) 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.
- 4.10 Where it is impracticable to establish relief assignments in accordance with Article 4.9, the designated National Representative of the Union and the proper officer of the Company 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 employees would otherwise be required to work on assigned rest days or unreasonable travel time would be involved.
- 4.11 Extra or unassigned employees, except when relieving regular assignments, will be paid at the hourly rate with a minimum of four (4) hours for each time required to commence work. The meal period provided for in Article 4.6 will not be considered a break.

- 4.12 Except in emergencies, extra or unassigned employees shall not be called for duty in any seven (7) day period commencing Sunday after they have completed forty (40) hours work in such period.
- 4.13 Where work is required by the Company to be performed on a day which is not part of any assignment, it may be performed by an available extra or unassigned employee who would otherwise not have forty (40) hours of work that week.

ARTICLE 5

Overtime and Calls

- 5.1 Subject to the provision of Article 4.4, time worked by employees on regular assignments, continuous with, before, or after the regularly assigned hours of duty shall be considered as overtime and shall be paid at on and one half times the hourly rate of pay in minimum increments of fifteen (15) minutes. Every effort will be made to avoid the necessity for overtime; however, when conditions necessitate, employees will perform authorized overtime work as locally arranged in writing. An employee filling an established full-time position, required to work overtime for more than two (2) hours, continuous with completion of that employee's regular tour of eight (8) hours duty, will be allowed without deduction of pay, twenty (20) minutes in which to eat immediately upon completion of two (2) hours' overtime.
- 5.2 There shall be no overtime on overtime. Time worked in excess of forty (40) hours in a work week shall be paid for at time and one-half, but overtime hours paid for under Article 5.1 shall not be utilized in computing the forty (40) hours per week. However, up to eight (8) hours paid for on holidays or when changing shifts may be so utilized. In addition, time paid for as arbitraries or special allowances (e.g. attending court, deadheading, travel time) shall be utilized in computing overtime when such payments apply during assigned working hours, or where such time is now included under existing articles in computation leading to overtime.
- 5.3 Time worked in excess of the regularly assigned hours, due to changing shifts, shall be paid at hourly rates, if due to application of seniority rules or where such changes in shifts are locally arranged.
- 5.4 Employees will not be required to suspend work during regular hours to absorb overtime.
- 5.5 Overtime shall be worked only by direction of proper authority. Where advance authority is not obtainable, overtime will not be allowed unless claim is made to the proper officer within forty eight (48) hours from the time service is performed.
- 5.6 Regularly assigned employees notified, or called to work not continuous with, before, or after their regular assigned hours shall be allowed a minimum of three (3) hours at one and one-half times the hourly rate for three (3) hours' work or less.
- 5.7 The hourly rate for weekly-rated employees is computed by dividing the weekly rate by 40.

- 5.8 Employees required to work on their assigned rest days shall be paid at one and one-half times their hourly rate with a minimum of three (3) hours for which three (3) hours' service may be required except:
- (a) as otherwise provided under Article 6
 - (b) where such work is performed by an employee moving from one assignment to another in the application of seniority or as locally arranged.
- 5.9 Extra or unassigned employees will not receive overtime rates until after completion of forty (40) hours in a work week.

ARTICLE 6

Rest Days

- 6.1 Employees will be assigned two (2) rest days in each seven (7) day period,
- (a) the work week may be staggered in accordance with the Company's operational requirements;
 - (b) days of service may be reassigned on 72 hours notice.
- 6.2 The rest days shall be consecutive as far as is 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. 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 and Monday, it shall be incumbent on the Company 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.
- 6.3 On positions 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 day in accordance with understandings to be worked out between the National Council 4000 Representative of the employees and the proper officer of the Company.
- 6.4 In the event that a situation arises which makes it impracticable to assign consecutive rest days to all employees at a particular point, the following procedure shall be followed:
- (a) All possible regular relief positions shall be established pursuant to Article **4.9**;
 - (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 under Article 6.3 shall be considered.

- (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 or extra 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 (5) 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 days at overtime rates and thus withhold work from additional relief people.

ARTICLE 7

Bereavement Leave

- 7.1 Upon the death of an employee's spouse, child or parent, the employee shall be entitled to five (5) days' bereavement leave without loss of pay provided that the employee has not less than three months' cumulative compensated service.
- 7.2 Upon the death of an employee's brother, sister, step-parent, father-in-law, mother-in-law, step-brother or step-sister, grandchild or grandparent, the employee shall be entitled to three (3) days bereavement leave without loss of pay provided that the employee has not less than three months' cumulative compensated service.
- 7.3 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.

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.



ARTICLE 8

General Holidays

- 8.1 An employee who qualifies in accordance with Article 8.2 or 8.3 of this article 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 or upon mutual agreement between the employee and the Company, such holiday may be moved to the normal working day immediately prior to the employee's rest day.

New Year's Day

The day after that on which New Year's Day is observed, except when New Year's Day falls on a Friday this holiday will be observed on the following Monday.

Good Friday

Victoria Day

Canada Day

Civic Holiday (the first Monday in August)

Labour Day

Thanksgiving Day

Remembrance Day

Christmas Day

Boxing Day

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 day after that on which New Year's Day is observed.

When any of the above holidays falls on Sunday or Saturday, the day observed by the Federal Government in respect of its employees as the holiday shall be recognized.

- 8.2 In order to qualify for any one of the holidays specified in Article 8.1, an employee not regularly assigned to a weekly rated position:
- (a) Must have been in the service of the railway and available for duty for at least 30 calendar days. This Clause (a) does not apply to an employee who is 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 an employee who is laid off or suffering from a bona fide injury, or who is hospitalized on the holiday, or who is in receipt of, or who subsequently qualifies for weekly sickness benefits because of illness on such holiday; a regularly assigned employee who is required to work on such general holiday 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 the completion of their shift or tour of duty immediately preceding such holiday that their service will be required;
- (c) Must be entitled to wages for at least seven shifts or tours of duty during the 30 calendar days immediately preceding the general holiday. This Clause (c) does not apply to an employee who is required to work on the holiday.

Note: Provided that an employee is available for work on general holiday, absences from a scheduled injury, hospitalization, illness for which the employee qualifies for weekly sickness benefits and authorized maternity leave will be included in determining the 7 shifts or tours of duty referred to in this Clause (c)

8.3 An employee regularly assigned to a weekly-rated position in order to qualify for pay for any one of the holidays specified in Article 8.1 :

- (a) Must have been in the service of the Company and available for duty for at least 30 calendar days. This Clause (a) does not apply to an employee who is required to work on the holiday;
- (b) Must have performed compensated service in the pay period in which the holiday occurs.

When work is required to be performed on a general holiday the Company will inform the Local Chairperson concerned which position(s) will be required. The employee(s) required to work will be assigned as locally arranged. If such local arrangement is not concluded prior to four calendar days in advance of the general holiday the Company will designate the employee(s) required to work these positions.

Advance notice of four calendar days will be given when an employee(s) is required to work on a general holiday, except for unforeseen exigencies of the service in which case the employee protecting such assignment will be notified not later than the completion of their shift or tour of duty immediately preceding the holiday that such services will be required. An employee required to protect such assignment who fails to report for work will not be paid for the general holiday.

8.4 A qualified employee whose vacation period coincides with any of the general holidays specified in Article 8.1 shall receive an extra days vacation with the pay to which the employee is entitled for that general holiday.

- 8.5 (a) An assigned employee qualified under Article 8.2 or 8.3 and who is not required to work on a general holiday shall be paid eight hours pay at the straight time rate of their regular assignment.
- (b) An unassigned or spare employee qualified under Article 8.2 and who is not required to work on a general holiday shall be paid for the day based upon a calculation of the average hours worked per day during the previous 30 calendar days at straight time rates, not to exceed a maximum of 8 hours per pay.
- 8.6 Shifts or tours of duty commencing between 2400 hours on the eve of the general holiday and 2359 hours on the night of the general holiday, both times inclusive, shall be considered as work on that holiday.
- 8.7 The daily rate of pay for weekly rate employees shall be the weekly rate divided by five.

ARTICLE 9

Annual Vacation

- 9.1 An employee who, at the beginning of the calendar year, is not qualified under paragraph 9.2 hereof, shall be allowed one working day's vacation with pay for each 25 days' cumulative compensated service, or major portion thereof, during the preceding calendar year, with a maximum of 10 working days until qualifying for further vacation under paragraph 9.2.
- 9.2 Subject to the provision 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 compensated service, shall have their vacation schedule on the basis of one working day's vacation with pay for each 16 $\frac{2}{3}$ days of cumulative compensated 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 paragraph 9.3.

NOTE 1: Employees covered by paragraph 9.2 will be entitled to vacation on the basis outlined therein if on fourth or subsequent service anniversary date they achieve 1,000 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.1. 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.

9.3 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 2,500 days of cumulative compensated service, shall have their vacation scheduled on the basis of one working days' vacation with pay for each 12 1/2 days of cumulative compensated 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 paragraph 9.4.

NOTE 2: Employees covered by sub-paragraph 9.3 will be entitled to vacation on the basis outlined therein if on their tenth or subsequent service anniversary that they achieve 2,750 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.2. 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.

9.3(a) 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 compensated 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 compensated 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 paragraph

NOTE 2: Employees covered by sub-paragraph 9.3(a) will be entitled to vacation on the basis outlined therein if on their tenth of subsequent service anniversary date they achieve 2,500 days of cumulative compensated service; otherwise their vacation entitlement will be calculated as set out in paragraph 9.2. 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.

9.4 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 compensated service, shall have their vacation scheduled on the basis of one working day's vacation with pay for each 10 days of cumulative compensated 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 paragraph 9.5.

NOTE 3: Employees covered by paragraph 9.4 will be entitled to vacation on the basis outlined therein of in their twentieth or subsequent service anniversary date they achieve 5,000 days if cumulative compensated service; otherwise, their vacation entitlement will be calculated as set out in paragraph 9.3. 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.

9.5 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 compensated service shall have their vacation scheduled on the basis of one working day's vacation with pay for each 8 1/2 days of cumulative compensated service, or major portion thereof, during the preceding calendar year, with maximum of 30 working days.

NOTE 4: Employees covered by paragraph 9 5 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 compensated service; otherwise their vacation entitlement 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.

9.6 In the application of Article 9.5, the Company will have the option of:

- (a) Scheduling an employee for five weeks vacation with the employee being paid for the sixth week vacation at pro rata rates; or
- (b) Splitting the vacation on the basis of five weeks and one week.

9.7 Where methods relating to calculation of vacations may differ from the foregoing, such methods will continue to apply.

9.8 A year's service is defined as 250 days of cumulative compensated service.

- 9.9 An employee who, while on annual vacation, becomes ill or is injured, or who take bereavement leave under article 7.1, shall have the right to terminate (temporarily) their vacation and be placed on weekly indemnity provided the employee has 3 months cumulative service. An employee who is again fit for duty shall immediately so inform the company officer in charge and will continue their vacation if within their scheduled dates. If the remaining vacation falls outside the employee's scheduled dates, such vacation will be rescheduled as may be locally agreed.
- 9.10 An employee who, due to sickness or injury, is 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.
- 9.11 **An** employee who is entitled to vacation shall take same at the time scheduled. If, however, it becomes necessary for the Company to reschedule an employee's scheduled vacation dates, they shall be given at least 15 working days advance notice of such rescheduling and will be paid at the rate of time and one-half their regular rate of wages for all work performed during the scheduled vacation period. The rescheduled vacation with pay to which they are entitled will be granted at a later date as locally arranged. This provision does not apply where rescheduling is as a result of an employee exercising their seniority to a position covered by another vacation schedule.
- 9.12 Provided an employee renders compensated working service in any calendar year, time off duty, account bona fide illness, injury, authorized pregnancy leave, to attend committee meetings, called to court as a witness or for uncompensated jury duty, not exceeding a total of 100 days in any calendar year, shall be included in the computation of service in that year for vacation purposes.
- 9.13 Vacation days shall be exclusive of the assigned rest days and the legal holidays specified in Articles 6 and 8 respectively.
- 9.14 Days worked on any position covered by a similar Vacation Agreement will be counted as service for vacation purposes under this Agreement.
- 9.15 An employee will be compensated for vacation at the rate of the position, which they would have been filling during such vacation period. **An** employee not assigned to a permanent or temporary position or temporary vacancy at the commencement of their vacation period will be compensated at the rate of pay of the last position worked.
- 9.16 **An** employee 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 their leaving the service, as provided for in Article 9.1, 9.2, 9.3, 9.4 and 9.5, and, if not granted, will be allowed pay in lieu thereof.
- 9.17 **An** employee who is laid off shall be paid for any vacation due them at the beginning of the current calendar year 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.

- 9.18 An employee who (1) leaves the service of their own accord, (2) is dismissed for cause and not reinstated in their former seniority standing within two (2) years of date of such dismissal, will, if subsequently returned to the service be required to again qualify for vacation with pay as provided in Articles 9.1, 9.2, 9.3, 9.4 and 9.5.
- 9.19 An employee who has become entitled to a vacation with pay shall be granted such vacation within a twelve (12) month period immediately following the completion of a calendar year of employment in respect of which the employee became entitled to the vacation.
- 9.20 Application for annual vacations from employees shall be filed prior to February 1st.
- 9.21 Applications filed prior to February 1st, insofar as it is practicable to do so, will be allotted vacation during the summer season, in order of seniority of applicants, and unless locally arranged or failing such local arrangements, authorized by the officer in charge, the vacation shall be continuous. Applicants will be advised in February of dates allotted them, and unless otherwise locally arranged employees must take their vacation at the time allotted.
- 9.22 Unless locally arranged, 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.
- 9.23 Notwithstanding the provisions of Article 12.1 and 12.5, the officer in charge and the recognized representative of the employees will, as far as practicable, make local arrangements to carry on the work while members of the staff are on vacation, with the object of avoiding additional expense to the Company. Should such arrangements result in the establishment of a vacation relief position, it shall be bulletined in accordance with Article 12. If this is not practicable (first sentence), employees engaged temporarily, or employees temporarily promoted from one position to another, to provide vacation relief, will, if definitely assigned to fulfill the duties and responsibilities of a higher rated position, be paid the schedule rate applicable to such position. Employees engaged temporarily or employees temporarily promoted to a Clerk's position to assist in keeping up the work, will be paid not less than the minimum schedule rate for a Clerk's position on the staff on which employed. In the application of this rule due regard will be given to apprentice or graded rates.

ARTICLE 10

Seniority Grouping

- 10.1 For the purpose of promotion and seniority, employees shall be grouped as follows:
- (a) All Track Department employees as one group;
 - (b) All other employees as one group.

ARTICLE 11

Seniority

- 11.1 Employees will be considered on probation until they have completed 60 days of actual work in the service of the Company, If considered to be unsuitable during the probationary period, employee will be subject to an investigation under article 24.2, after which such employees may not be retained in the service.
- 11.2 Seniority lists will be maintained for each seniority group showing seniority numbers, names, positions and date of last entry into the Company's service in a position covered by such seniority group, from which date seniority will accumulate. Seniority lists will be maintained by the Company and a copy furnished to the designated National Representative of the Union and the Local Chairperson concerned in February of each year. A copy of the appropriate seniority list will be posted each February in a location suitable for the employees concerned. The date the seniority list is posted in each location will be shown on the seniority list.
- 11.3 The name of an employee shall be placed on the seniority list immediately upon being employed on a position covered by this Agreement. An employee transferred to an excepted position or on leave of absence will have appropriate notation placed opposite their name. Casual help shall not establish seniority under this Agreement.
- The name of an employee promoted to an excepted position within their probationary period shall be removed from the seniority list.
- 11.4 Protests respecting seniority status must be submitted in writing within sixty (60) calendar days from the date seniority lists are posted. When proof of error is presented by an employee or their representative, such error will be corrected and when so corrected the agreed upon seniority date shall be final. No change shall be made in the existing seniority status of an employee unless concurred in by the designated National Representative of the Union.
- 11.5 No change shall be made in the seniority date accredited an employee which as appeared on two (2) consecutive annual seniority lists unless the seniority date appearing on such lists was protested in writing within the sixty (60) calendar day period allowed for correctional purposes. Names which have not appeared on two (2) consecutive annual seniority lists shall not be restored to such seniority lists except in accordance with Article 11.13 or by agreement with the designated National Representative of the Union.
- 11.6 An employee with less than one (1) year's seniority who, while filling a position under this Agreement, accepts a non-supervisory position under another wage agreement shall forfeit their seniority under this Agreement and their name shall be removed from the seniority list. This shall not apply when the employee accepts temporary and/or relief work under another wage agreement but should such temporary and/or relief work extend into a continuous period exceeding six (6) months, they shall forfeit their seniority under this agreement and their name shall be removed from the seniority list.

- 11.7 An employee with one (1) year's seniority or more who, while filling a position under this Agreement, accepts non-supervisory work under another wage agreement, shall be permitted to perform such work for a continuous period up to six (6) months without loss of seniority. However, provided they can hold work in their own seniority group, they must return to such group at or prior to the expiration of such six (6) months period or forfeit their seniority rights under this Agreement and their name shall be removed from the seniority list. After return from work under another wage agreement, the employee must remain on a position covered by this Agreement for a continuous period of at least six (6) months. If they return to work under another wage agreement before the expiration of such six (6) months, except when required for emergency work under another wage agreement, they will forfeit their seniority under this Agreement.
- 11.8 The provisions of Articles 11.6 and 11.7 shall not apply to an employee who, while holding seniority rights under another wage agreement, obtains employment and establishes seniority rights under this Agreement. If such an employee, while filling a position under this Agreement, exercises their seniority under the provisions of another wage agreement, their name shall be removed from the seniority list. **An** employee shall not be regarded as having exercised seniority rights when used for emergency service only.
- 11.9 (a) The name of employees holding seniority under this Agreement who were
- (i) Filling permanent official or excepted positions within the Company, or its subsidiaries, 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 June 30, 1996.
 - (ii) who, on or after June 14, 1995, will fill permanent official or excepted positions with the Company, or its subsidiaries, 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.
 - (iii) who, subsequent to April 1, 2001, is temporarily promoted to a non scheduled, official or excepted position with the Company for a period of up to twenty four months, will continue to accumulate seniority. Should the employee remain on such a position for a period of time in excess of twenty-four months, the requirements of sub Article 11.9(a)(ii) will apply and the employee will, at the completion of the two year period, no longer continue to accumulate seniority but continue to retain the seniority rights already accumulated.

NOTE: In the application of this paragraph, should an employee holding a non-scheduled, official or excepted position be set back to a position covered by this Collective Agreement for a period of less than forty five days, such time will be considered as part of the twenty four months.

(b) When employees are released from excepted employment, except at their own request or as provided in paragraph 12.19, such employees may exercise their seniority rights to the position held by the junior employee on the same shift, classification and department that they held at the time of being promoted. Should they have insufficient seniority to displace the junior employee, then they must displace the junior employee on any position for which they have the seniority and qualifications. Employees must make their choice of a position, in writing, within ten (10) calendar days from the date of release from excepted employment and commence work on such position within 30 calendar days from the date of release from excepted employment. Failing this, they shall forfeit their seniority and their names shall be removed from the seniority list.

NOTE: When an employee is temporarily promoted to an excepted position:

- (i) for less than one hundred and eighty (180) days by reason of the regular incumbent having elected maternity or Child Care Leave, or
- (ii) for less than one hundred and twenty (12) days in all other cases,

such employee's position will be filled in accordance with paragraph 12.6. When released from excepted positions, employees must return to their regular assignments.

(c) The appropriate Regional Representatives of CAW Council 4000 will be notified 24 hours in advance when bargaining unit employees are to be promoted on either a temporary or permanent basis. In cases of temporary promotion, the Company will advise of the approximate duration for such promotion.

When promoted employees are to be released from a non-scheduled position of more than thirty (30) days and returned to the bargaining unit, the Company will advise the applicable Regional Representative in advance of their return.

- 11.10 The name of an employee transferred with their work from a staff covered by this Agreement to a staff not covered by this Agreement, shall be removed from the seniority list.
- 11.11 The seniority status of an employee transferred with their work from a staff not covered by this Agreement to a staff covered by this Agreement shall be decided by agreement between the proper officer of the Company and the National Representative of the Union. The basis of such decision shall be the seniority to which they would have been entitled had their service on such other staff been governed by the terms of this Agreement.
- 11.12 An employee who has been discharged and is subsequently returned to the service on a position covered by this Agreement will only be allowed seniority from the date of their return to the service, unless reinstated with their former seniority status. An employee who is not reinstated with their former seniority status within two (2) years of the date of their discharge may only be so reinstated by agreement between the proper officer of the Company and the National Representative of the Union.

- 11.13 When two (2) or more employees commence work in the same seniority group on the same day the procedure for establishing their relative seniority shall be as follows:
- (a) The employee who commenced work at the earliest hour of the day shall be senior;
 - (b) When the employees commenced work at the same hour the one who signed the Company's application form for employment first shall be senior;
 - (c) All other things being equal they shall be placed on the seniority list as mutually agreed between the proper officer of the Company and the National Representative of the Union.

ARTICLE 12

Bulletining and Filling Of Positions

- 12.1 Vacancies in regularly assigned positions including temporary vacancies of thirty (30) days or more duration, seasonal positions and newly-created positions of more than thirty (30) days duration, shall be bulletined in their respective seniority groups within ten (10) days of such vacancies occurring or new positions being established, it being understood that temporary vacancies and new positions of indefinite duration need not be bulletined until the expiration of thirty (30) days from the date created.
- 12.2 When required, bulletins will be issued on Thursday of each week. Should Thursday be a general holiday, bulletins will be issued on the following working day.
- 12.3 The bulletin shall show location, descriptive classification, rate of pay, hours of assignment of the position, assigned rest days, general description of duties, and, if temporary, the approximate duration, and shall be posted for five (5) calendar days in places accessible to all employees affected. Copies of all bulletins issued under this rule shall be furnished to the Local Chairperson.

Employees, desiring such positions will, within the five (5) day period specified in Article 12.3, forward to the designated officer their applications, in which they will clearly set forth their qualifications for the position. As evidence that an application has been submitted each applicant must forward a copy of their application to the Local Chairperson. In the event of no applications being received from employees with sufficient ability to perform the work, the proper officer of the Company will make the appointment.

- 12.4 When the regularly assigned starting time of a position is changed two (2) hours or more, or assigned rest day or days are changed, such position shall be declared vacant and bulletined to the seniority group. The occupant of the position will be permitted to exercise their seniority rights to any position they are qualified to fill, displacing a junior employee.

- 12.5 Temporary vacancies and newly created positions of less than thirty days shall be filled, without necessity of bulletining, however, suitable advice notice will be posted and will be awarded to the senior qualified employee who makes application therefore within the first five (5) calendar days. In the application of this rule, regularly assigned employees will only be permitted to exercise their rights on temporary vacancies when an increase in rate is involved, or when it is known that the vacancy will be for more than five (5) working days.
- 12.6 Bulletined positions may be filled temporarily pending the assignment of the successful applicant.
- 12.7 **An** employee who has applied for a bulletined position, may cancel their application provided written cancellation reaches the designated officer not later than the fourth calendar day after date of bulletin. As evidence that the application has been cancelled the employee must forward a copy of their cancellation to the Local Chairperson. Unless there is no other qualified applicant, the employee vacating a position will not be considered for such position until it again becomes vacant.
- 12.8 Where no applications are received from qualified employees in the seniority group in which a vacancy occurs and no qualified employees are available on the laid off list, a written application from the qualified senior employee from the other seniority group will be given preference. Such an employee will accumulate seniority rights in their new group from the date of their appointment. They will also retain all rights in their former group until such time as they exercise their seniority in the new seniority group. Upon returning to their former seniority group, they will forfeit their rights in the group to which they had transferred.
- 12.9 (a) Appointments will be made by the supervisory officers, based on qualifications, and seniority; qualifications being sufficient, seniority shall govern. The name of the appointee shall be bulletined within five (5) calendar days in the same manner as the position was bulletined.
- (b) In applying rules governing promotion and seniority, the supervisory officer shall make the appointment, subject to appeal under Article 24.
- 12.10 **An** employee who is assigned to a temporary vacancy, or a temporary position and/or subsequent temporary assignments, shall at the expiration of such temporary employment be returned to their regularly assigned position.
- NOTE: Notwithstanding the above provision, an employee will have the option of applying for one additional temporary assignment posted under advice notice at the terminal providing that they can perform the entire required job related duties without training or familiarization. Upon completion of this subsequent move, the employee will return to his/her permanent assignment or may be allowed to fill a temporary assignment in accordance with Article 12.5.

- 12.11 An employee returning from vacation or leave of absence shall resume their former position or may within five (5) calendar days of their return exercise their rights to any position bulletined during their absence, merit and ability being sufficient, and employees displaced will be permitted to exercise their seniority in their seniority group to any positions they are qualified to fill.
- 12.12 An employee who is assigned by bulletin to a position shall be given reasonable time in which to qualify, up to thirty (30) working days (the length of time depending on the character of the work) and failing, will be returned to their former position without loss of seniority.
- 12.13 When a senior applicant is not awarded a bulletined position, they may appeal the appointment, in writing, within 14 calendar days of such appointment through the grievance procedure. After making an appeal, an employee may be required or shall at the request of the Local Chairperson be allowed to demonstrate their qualifications for the position. The Local Chairperson may be present at such demonstration.
- 12.14 An employee, who is removed from their regular position as a disciplinary measure, will not be permitted to displace any regularly assigned employee but will be permitted to apply for any vacancies within their group.

ARTICLE 13

Staff Reduction, Displacement and Recall to Service

- 13.1 When staffs are reduced, senior employees with sufficient ability to perform the work will be retained.
- 13.2 In instances of staff reduction, four working days notice will be given to regularly assigned employees whose positions are to be abolished, except in the event of a strike or work stoppage by employees in the railway industry, in which case a shorter notice may be given. The Local Chairperson will be supplied with copy of any notice in writing.
- 13.3 An employee whose position is abolished or who is displaced from their permanent position may displace a junior employee in their own seniority group, on a temporary or permanent position, for whose position they are qualified. Such an employee shall forfeit their seniority, if they do not notify the officer in charge and the Local Chairperson, in writing, of their choice within ten (10) calendar days from date of displacement or abolition of their position. An employee who has exhausted their rights under the above will have their name placed on the laid-off list. Copies of the laid-off list will be supplied to the National Representative of the Union.
- 13.4 An employee, who has signified their intention to displace a junior employee, shall forfeit their seniority and their name shall be removed from the seniority list if they fail or refuse to commence work on the regularly assigned position they have chosen within twenty (20) calendar days of making their choice, or within five (5) calendar days of exercising their seniority to a temporary assignment. An employee completing or being displaced from a temporary position may displace a junior employee on another temporary or permanent position, for whose position they are qualified.

- 13.5 A senior employee allowed to displace a junior employee shall receive a full explanation of the duties of the position and must demonstrate their ability to perform the work within a reasonable probationary period up to thirty (30) working days, the length of time dependent upon the character of the work. Any extension of time beyond thirty (30) working days shall be locally arranged. The provisions of Article 12.13 may be applied in cases where an employee is not allowed to displace.
- 13.6 An employee who has exercised their seniority in accordance with this Article and fails to show necessary qualifications for the position they have chosen, will be required to vacate such position. Employees may again displace a junior employee for whose position it is considered the employee is qualified. The employee originally displaced, and other employees displaced as a direct consequence thereof, shall return to their former positions.
- 13.7 When an employee is on leave of absence or vacation at the time their position is abolished or they are displaced, the time limits specified in this Article will apply from the time they report for duty.
- 13.8 An employee who fails to comply with Article 13.4 because of illness or other cause for which leave of absence has been granted, shall not lose their seniority.
- 13.9 A laid-off employee must register their name and address, in writing, at time of lay-off, with their immediate supervisory officer and their Local Chairperson. They must also advise, in writing, the proper officer of the Company and the Local Chairperson of any change of address. **An** employee who fails to comply with either of these requirements shall forfeit their seniority and their name shall be removed from the seniority list.
- 13.10 A laid-off employee, if qualified, shall be given the preference of employment in seniority order in filling new positions or vacancies in other than their own seniority group.
- 13.11 A laid-off employee, who accepts work in a seniority group other than their own, will accumulate seniority from the date they commence work in such group. They will retain full seniority rights in their former group until such time as they refuse to accept a recall to such former group. Upon returning to their former group they will forfeit all rights in the group to which they had transferred.
- 13.12 A laid-off employee shall, if qualified, be recalled to service in order of seniority when a vacancy in their seniority group remains unfilled after having been bulletined. An employee, recalled from layoff, shall be notified by registered mail to the address on record with the company.
- 13.13 A laid-off employee, subject to recall, will not be required to report for duty providing that:
- (a) It is definitely known that the duration of the work will not exceed ninety (90) calendar days and another junior qualified laid-off employee is available, or

(b) The position available is not in their own seniority group.

Note: This Article does not constitute a guarantee of ninety (90) days of employment.

13.14 A laid-off employee who fails to report for duty or to give a satisfactory reason, in writing, for not doing so within ten (10) calendar days from date of notification shall forfeit their seniority and their name shall be removed from the seniority list.

ARTICLE 14

Employment Security and Income Maintenance Plan

14.1 The Employment Security and Income Maintenance Plan shall be that Plan established by the Employment Security and Income Maintenance Plan Agreement dated June 18, 1985 as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

ARTICLE 15

Rehabilitation

15.1 When mutually agreed between the proper officer of the Company and the National Representative of the Union, an employee who has become unfit to follow their usual occupation may:

- (a) displace a junior employee in their own seniority group for whose position they are qualified, or
- (b) be placed, when mutually agreed between the proper officer of the Company and the National Representative of the Union, in a position in the seniority territory notwithstanding that it may be necessary to displace an able-bodied employee to provide suitable employment for them.

Note: The Company's Medical Department will determine an employee's fitness to follow their usual occupation. The National Representative of the Union will be advised when a rehabilitated employee becomes fit to follow their usual occupation.

15.2 In dealing with the incapacitated employees, seniority shall govern in respect of preference of shift and employment.

15.3 A rehabilitated employee placed on a position shall not be displaced by an able-bodied employee so long as they remain on such position, except when a senior employee is otherwise unable to hold a position in their seniority group. Should they subsequently recuperate they shall be subject to displacement, in which case they shall exercise their seniority rights.

ARTICLE 16

Training

16.1 Employees shall be encouraged to learn the duties of other positions and every opportunity shall be afforded them to learn the work of such positions in their own time, and during the regular working hours when it will not unduly interfere with the performance of their regularly assigned duties. The supervisory officer may for this purpose arrange with the interested employees to exchange positions for temporary periods without affecting the rates of pay of the employees concerned. the Local Chairperson will be informed when employees exchange positions in accordance with this Article.

16.2 Trainers Allowance

Employees designated to train others by direction of the appropriate Company officer for one hour or more during a shift, will receive a trainer's allowance of \$2.00 per hour spent training. The Company may designate those employees who will provide such training.

16.3 The Company shall have training courses to allow the employees opportunities to upgrade their knowledge and skills when it is known a permanent position will become vacant or there is a need to qualify additional employees for a given position. Applicants will be considered in seniority order provided they have the suitability and adaptability to fill the positions. Employees presently in the service of the Company who have the suitability and adaptability will be considered for training before a person not already in the employ of the Company. When trained for more than 5 days, employees who have successfully completed training for work in a certain classification may be required to remain on a position or cover work in such classification for a maximum period of 120 shifts. This commitment will expire one year after the completion of the training.

16.3 Training During Normal Working Hours:

An employee required by the Company to take training during their normal working hours will be paid their regular rate of pay while in training.

Training Outside Normal Working Hours:

An employee required by the Company to take training outside their normal working hours will be compensated at their regular rate of pay while in training except that on any day when the Company requires an employee to take training in addition to working their regular assignment, they shall be compensated for all such combined time, in excess of eight hours, at punitive rates.

Voluntary Training:

Where training facilities are provided by the Company on a voluntary basis, an employee taking advantage of such training will not be compensated.

ARTICLE 17

Leave of Absence and Free Transportation

- 17.1 Employees elected as salaried representatives of the employees shall, upon request, be granted leave of absence without pay while so engaged.
- 17.2 Employees shall be granted free transportation in accordance with pass regulations, and leave of absence without pay to attend General Meetings upon the request of the Local Chairperson or the National Representative of the Union.
- 17.3 Employees elected or appointed to serve on committees for investigation, consideration and adjustment of grievances shall, upon request, be granted necessary leave of absence without pay.
- 17.4 Employees shall, upon request, be granted leave of absence without pay to attend Union meetings. Such leave of absence will be granted only when it will not interfere with the Company's business nor put the Company to additional expense.
- 17.5 Employees, at the discretion of the Company, may be granted leave of absence of **up** to three months, permission to be obtained in writing. Leave of absence may be extended by application in writing to the proper officer in ample time to receive permission or return to duty at the expiration of such leave. Unless such extension of leave of absence is granted or absolute proof is furnished of bona fide sickness preventing such return, a registered letter will be sent to the employee instructing them to report for an investigation in connection with their unauthorized leave of absence. If within a period of three (3) months from the date of the letter they fail to report for duty and investigation, they shall forfeit their seniority and their name shall be removed from the seniority list and the Local Chairperson shall be so informed.
- 17.6 Leave of absence for educational purposes may be granted to employees in accordance with the Company's regulations. The National Representative of the Union will be informed when such leaves are granted. Such employees who return to the service between school terms, or prior to terminating the educational course for which leave of absence has been granted, will not be permitted to exercise their seniority.
- 17.7 Leave of absence under Article 17 shall not be granted for the purpose of engaging in work outside the Company service, except in cases involving sickness, or when made the subject of mutual agreement between the proper officer of the Company and the National Representative of the Union.
- 17.8 The name of an employee on authorized leave of absence shall be continued on the seniority list for the group in which they have established seniority rights.

ARTICLE 18

Shift Differentials

18.1 Employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of seventy-five cents (75¢) per hour, and employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of eighty cents (80¢) per hour.

Effective January 1, 2005, for employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of one dollar (\$1) 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.

ARTICLE 19

Attending Court

19.1 Employees who lose time by reason of being required to attend Court or Coroner's inquest or to appear as witnesses in cases in which the Company is involved, or subpoenaed by the Crown in such cases, will be paid for time lost. If no time is lost they will be paid for actual time held with a minimum of two (2) hours at one and one-half times the hourly rate. Necessary actual expenses while away from home terminal will be allowed when supported by receipts.

19.2 Any fee or mileage accruing shall be assigned to the Company.

ARTICLE 20

Held for Investigation or Company Business

20.1 Employees held for Company's investigation and no responsibility is attached to them in connection with the matter under investigation (i.e. not subject to discipline) or on Company business on the order of the proper officer will, if required to lose time by reason thereof, be paid for time lost. If no time is lost they will be paid from the time required to report until actually released at one and one-half times the hourly rate, with a minimum of two (2) hours. Necessary actual expenses will be allowed when supported by receipts.

ARTICLE 21

Relief Work and Preservation of Rates

- 21.1 An employee temporarily assigned for one (1) hour or more, cumulative, in any one (1) day, to a higher-rated position, shall receive the higher rate while occupying such position, due regard being had to apprentice or graded rates. An employee temporarily assigned to a lower rated position shall not have their rate reduced.
- 21.2 A "temporary assignment" contemplates the fulfillment of the duties and responsibilities of the position during the time occupied. Assisting a higher-rated employee due to a temporary increase in the volume of work does not constitute a temporary assignment.
- 21.3 Articles 21.1 and 21.2 shall not apply to a weekly-rated employee who is filling a higher-rated position through a higher-rated employee being absent from duty with pay due to sickness or similar cause, other than vacation.
- 21.4 An employee engaged temporarily or an employee temporarily promoted, on account of an employee being off duty without pay due to sickness or similar cause, or on vacation with pay, shall receive the rate applicable to the position on which employed, due regard being had to apprentice or graded rates.
- 21.5 The classifications and rates of pay for additional positions established on staffs covered by this Agreement shall be in conformity with classifications and rates of pay for positions of similar kind of class covered by this Agreement.
- 21.6 Established positions shall not be discontinued and new ones created covering relatively the same class of work for the purpose of reducing the rate of pay.
- 21.7 No change shall be made in agreed classifications or basic rates of pay for individual positions unless warranted by changed conditions resulting in changes in the character of the duties or responsibilities. When changes in classifications and/or basic rates of pay are proposed, or when it is considered that a position is improperly classified or rated, the work of the positions affected will be reviewed and compared with the duties and responsibilities of comparable positions by the proper officer of the Company and the designated Representative of the Union, with the object of reaching agreement on revised classifications and/or rates to maintain uniformity for positions on which the duties and responsibilities are relatively the same.

ARTICLE 22

Service Letters

- 22.1 A person entering the service of the Company, will within thirty (30) days from date of employment, have returned to them all service cards and letters of recommendation which had been taken up for inspection by the Company, except for those addressed to or issued by the Company.

- 22.2 Employees dismissed or leaving the service of their own accord, after giving due notice, will, upon request, be given the usual letter of reference and will be paid as soon as possible.

ARTICLE 23

Apprenticeship

- 23.1 An employee filling a position classed as a Clerk who has had less than thirty-six (36) weeks experience as a Clerk with the Company, will be paid for the first thirty-six (36) weeks, \$4.60 less than the basic rate;

Thereafter the basic rate of the position shall apply.

- 23.2 In applying Article 23, five cumulative days worked will constitute one week. A general holiday for which an employee is paid will be considered as a day worked.

- 23.3 An employee in a non-clerical position appointed to a clerical position shall receive the rate of pay equal to what would be paid if their prior service had been in a clerical position.

ARTICLE 24

Discipline and Grievance Procedure

- 24.1 Employees will not be disciplined for or discharged for major offenses without a fair and impartial hearing.

24.2 Investigations in connection with alleged irregularities will be held as quickly as possible. Employees may be held out of service for investigation (not exceeding three working days). Except as provided under Article 24.3, "Corrective Behaviour -- Informal Investigation", when a formal investigation is to be held, the employee and the designated Union representative will be given at least forty-eight (48) hours notice of the investigation and will be notified of the time, place, and subject matter of such investigation. (A copy of the notice for an investigation will be given to the local chairperson.) This shall not mean that the proper officer of the Company, who may be on the premises when the cause for investigation occurs, shall be prevented from holding an immediate investigation.

Investigations will be held during the employee's regular working hours, as far as practicable. Investigations held outside the employee's working hours will not be null and void.

Employees may only, if they so desire, have the assistance at the investigation of one or two co-workers, which could include their local chairperson or authorized committee members of the union who are employees of the Company. At the beginning of the hearing, the employee (and the authorized representative if present) will be provided with a copy of all the written evidence that is to be introduced. The employee and the authorized representative will be given an opportunity through the presiding officer to ask relevant questions of the witnesses present at the

hearing. The questions and answers will be recorded and the employee and the authorized representative will be furnished with a copy of statements and all evidence presented.

The decision will be rendered within 21 calendar days from the date the statement is taken from the employee being investigated. Employees will not be held out of service pending the rendering of a decision, except in the case of a dismissible offense.

24.3 Corrective Behaviour - Informal Process

This process is designed to help employees modify behaviour which may not be considered appropriate in the workplace. These are minor incidents and it is preferred that the behaviour is modified before the situation worsens.

Articles 24.1 or 24.2 will be applicable to employees subject to discipline or discharge for a major offense.

Before an informal discussion takes place, related to discipline, the employee will be offered union representation for the informal process.

Minor incidents may be handled without the necessity of a formal investigation. Minor incidents are defined as those for which no more than five (5) demerit marks would normally be assessed. The Company and the Union agree that an employee may not be discharged under this informal process. The informal process will not apply to employees whose discipline records stand at thirty (30) or more demerit marks.

Such incidents will be investigated as quickly as possible by a proper officer(s) of the Company. An employee who is alleged to have committed a minor offence will not be assessed discipline without having been subject to the informal process as described above.

The substance of the discussion shall be recorded on an incident report which shall contain the following information:

DATE:
LOCATION:
EMPLOYEE'S NAME AND PIN:
SUPERVISOR'S NAME AND PIN:
BRIEF DESCRIPTION OF THE INCIDENT:
EMPLOYEE'S REMARKS:
CORRECTIVE ACTION:
UNION REPRESENTATIVE:

A copy of the incident report shall be given to the employee when action has been decided upon, and a copy may 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 concerned.

Should the employee disagree with the discipline assessed at this stage, the employee so notified may initiate an appeal of the discipline in accordance with the provisions of Step 2 of the grievance procedure.

Should the employee disagree with any of the conclusions reached by the Company during the informal process, 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 this Agreement which will then be held without undue delay. In such instances the incident report and the discipline assessed through the informal process will be considered null and void.

24.4 Should employees be exonerated they shall be paid at their regular rate of pay for any time lost (one day for each 24 hours), less any amount earned in other employment. If away from home they shall, on production of receipts, be reimbursed reasonable expenses for traveling to and from the investigation.

24.5 Any complaint raised by employees concerning the interpretation, application or alleged violation of this agreement shall be dealt with in the following manner; this shall also apply to employees who believe that they have been unjustly dealt with:

Step 1

Within fourteen (14) calendar days from cause of grievance the employee and/or the Local Chairperson, or the authorized committee member, may present the grievance in writing to the immediate Supervisor who will give a decision within fourteen (14) calendar days of receipt of grievance.

Step 2

Within twenty-eight (28) calendar days of receiving decision under Step 1, the Local Chairpersons or their designate of the Union may appeal in writing to the Designated Senior Functional Officers identified in the letter given to the Union on March 6, 2001.

A decision will be rendered within forty-five (45) calendar days of receiving appeal. The appeal shall include a written statement of the grievance and where it concerns the interpretation or alleged violation of the collective agreement, the statement shall identify the article and paragraph of the article involved.

24.6 A grievance concerning the discipline of an employee will be processed commencing with Step 2 of the grievance procedure within 28 calendar days of the date the employee is notified of the discipline. A grievance concerning the discharge of an employee will be processed commencing with Step 2 of the grievance procedure within 28 calendar days of the date the employee is discharged. On request, the designated Representative of the Union shall be shown all evidence in the case.

24.7 The settlement of a dispute shall not under any circumstances involve retroactive pay beyond a period of 60 calendar days prior to the date that such grievance was submitted at Step 1 of the Grievance Procedure.

24.8 Where a grievance other than one based on a claim for unpaid wages is not progressed by the Union within the prescribed time limits the grievance will be considered to have been dropped. Where a decision with respect to such a grievance is not rendered by the appropriate officer of the Company within the prescribed time limits the grievance will be processed to the next step in the grievance procedure.

NOTE: All grievances and responses, at all steps of the grievance procedure, as well as requests for time limit extensions, and referrals to arbitration must be submitted in writing. Verbal or "email" grievances, responses, requests or referrals not submitted in written form shall not be considered as having been properly transmitted, and therefore may, unless remedied within their time limits, trigger the provisions of Articles 24.8 and 24.9.

24.9 When a written grievance based on a claim for unpaid wages is not progressed by the Union within the prescribed time limits, it shall be considered as dropped. When the appropriate officer of the Company fails to render a decision with respect to such a claim for unpaid wages within the prescribed time limits, the claim will be paid. The application of this rule shall not constitute an interpretation of the Collective Agreement.

24.10 The time limits as provided under this article may be extended by mutual agreement between the Company officer and Union representative at any step.

ARTICLE 25

Final Settlement of Disputes

25.1 Provision shall be made in the following manner for the final and binding settlement, without stoppage of work, of differences or disputes, including personal grievances, which arise concerning the application or interpretation of this agreement governing rates of pay and working conditions which cannot otherwise be disposed of between Officers of the Company and the Union.

25.2 A grievance concerning the interpretation or alleged violation of this agreement or appeals by employees that they have been unjustly disciplined or discharged and which are not settled at Step 3 may be referred by either party to the Canadian Railway Office of Arbitration and Dispute Resolution for final and binding settlement without stoppage of work in accordance with the regulations of that Office.

25.3 The request for arbitration must be made in writing within 45 calendar days following receipt of the decision rendered at Step 3 of the grievance procedure by filing notice thereof with the Canadian Railway Office of Arbitration and Dispute Resolution and on the same date by transmission of a copy of such filed notice to the other party.

25.4 The time limits as provided herein may be extended by mutual agreement.

ARTICLE 26

Health and Welfare

26.1 Health and Welfare benefits will be provided in accordance with the supplemental agreement governing the non-operating Employee Benefit Plan.

ARTICLE 27

Paid Maternity Leave Plan

27.1 The Paid Maternity Leave Plan shall be that Plan established by the Paid Maternity Leave Plan Agreement dated June 18, 1985 as revised, amended or superseded by any agreement to which the parties to this collective agreement are signatories.

ARTICLE 28

General

- 28.1 (a) Employees will be paid every other Thursday during their regular working hours. When a holiday falls on a Thursday which is a pay day, employees will be paid on the preceding Wednesday.
- (b) All overtime earned shall be shown as a separate item on the pay cheques of employees.
- 28.2 (a) Monthly-rated employees will be paid on the basis of a weekly rate effective January 1, 1968.
- (b) The weekly rate will be calculated by multiplying the monthly rate by 144, dividing the result obtained by 3131 and multiplying the net result by five (5).
- (c) The daily rate of pay shall be the weekly rate divided by five (5).
- (d) Weekly and daily rates will be calculated to the nearest whole cent figure.
- (e) In any situation where an employee's regular assignment is other than on a five (5) day week basis, the formulas specified in Article 28.2(b) and (c) will be adjusted accordingly.
- (f) The hourly rate of pay will be computed to the nearest tenth of a cent by dividing the weekly rate of pay by forty (40).
- 28.3 When an employee is short paid a minimum of 10 hours regular pay, a voucher will be issued within three days of an employee's request for payment to cover the shortage. The amount specified herein will be adjusted by subsequent general wage increases.

28.4 (a) An employee required to wear uniform clothing will be supplied with same as well as subsequent essential replacements, free of charge. When uniform clothing is so supplied to an employee, they will be held responsible for protection against loss, also maintenance of same in a clean, neat and repaired condition. Any employee who has been supplied with uniform clothing will be required upon leaving the service, or when so requested by an authorized representative of the Company, to return without delay, the last issue of such articles of clothing, or assume the cost thereof.

(b) The Company will supply reflectorized vest, hardhat, gloves and non-prescription eyewear for each employee where required.

The Company will introduce an annual re-imbusement assistance in the amount of \$225 per employee per year to support employee purchase of safety boots and/or other reflectorized personal protective equipment or safety apparel not supplied by the Company. Re-imbusement will require the submission of receipts on the approved form.

This will supersede and/or replace all current practices associated with the provision of safety boots or safety apparel.

28.5 At points or in departments where five (5) or more employees are employed, it will be permissible for notices of interest to said employees to be posted. The notice board shall be supplied by the employees and shall be in keeping with the general furnishings.

28.6 Employees unable to report for duty for their regular assignment through sickness or other cause will as far as practicable give at least two (2) hours notice of their inability to report for duty.

28.7 Where an automobile mileage allowance is paid such allowance will be 28 cents per kilometre.

28.8 Where practicable, reasonable efforts will be made to ensure that premises will be heated, lighted and ventilated; where there is actual need, suitable accommodation will be provided in which the employees may eat.

28.9 (a) It is agreed by the Company and the Union that there shall be no discrimination or harassment towards an employee based on the employee's age, marital status, race, colour, national or ethnic origin, political or religious affiliation, sex, family status, pregnancy, disability, union membership or sexual orientation.

(b) It is agreed that the terms *discrimination* and *harassment* as used in this Rule, shall be defined and interpreted in the Canada Human Rights Act.

28.10 Employment Equity.

As a matter of principle and in compliance with the Employment Equity Act, the Company and the Union are fully committed to achieving equality in the workplace so that no person shall be denied employment opportunities or benefits based on any of the prohibited grounds of discrimination. Employment Equity means treating people the

same way despite their differences, and respecting their differences to allow them to participate equally.

ARTICLE 29

Wage Rates for New Jobs

- 29.1 When a bona fide new job or position is to be established which cannot be properly placed in an existing classification by mutual agreement, management will establish a classification and rate on a temporary basis.
- 29.2 Written notification of the temporary rate and classification will be furnished to the designated Representative of the Union.
- 29.3 The new rate and classification shall be considered temporary for a period of sixty (60) calendar days following the date of notification of the designated Representative of the Union. During this period (but not thereafter) the designated Representative of the Union may request the Company to negotiate the rate for the classification. The negotiated rate, if higher than the temporary rate, shall be applied retroactively to the date of the establishment of the temporary classification and rate, except as otherwise mutually agreed. If no request has been made by the union to negotiate the rate within the sixty (60) calendar day period, or if no grievance is filed within sixty (60) calendar days from the date of notification to the designated Representative of the Union or upon completion of negotiations, as the case may be, the temporary classification and rate shall become a part of the wage scale.
- 29.4 If the Company and the Union are unable to agree on a classification, and rate for the new job, the disputed rate and/or classification may be treated as a grievance. The grievance may be taken up at Step 2 of the Grievance Procedure and if it is not resolved, it may be referred to an arbitrator under Article 24.
- 29.5 It is specifically agreed that no arbitrator shall have the authority to alter or modify the existing classifications or wage rates but they shall have the authority, subject to the provisions of this Agreement, to determine whether or not a new classification or wage rate has been set properly within the framework of the Company's established classification and rate setting procedure.

ARTICLE 30

Jury Duty

- 30.1 An employee who is summoned for jury duty and is required to lose time from their assignment as a result thereof shall be paid for actual time lost with a maximum of one (1) 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. An employee who has been allotted their vacation dates will not be required to change their vacation because they are called for jury duty; unless requested by the employee.

ARTICLE 31

Life Insurance Upon Retirement

- 31.1 Employees who retire from the service of the Company subsequent to January 1, 2001 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 \$6,000.00 life insurance policy, fully paid up by the Company.
- 31.2 Employees who retire from the service of the Company subsequent to January 1, 2003 will, provided they are fifty five years of age or over and have not less than ten years' cumulative compensated service, be entitled, upon retirement, to a \$7,000.00 life insurance policy, fully paid up by the Company.

ARTICLE 32

Dental and Extended Health Care Plans

- 32.1 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.
- 32.2 The Extended Health Care Plan is 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.

ARTICLE 33

Injured on Duty

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

ARTICLE 34

Contracting Out

- 34.1 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 from 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 supplies nor the performance of warranty work.

- 34.2 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 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.
- 34.3 The Company will advise the Union representative 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 be not less than 30 days.

- 34.4 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 designated National Representative of the Union 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 designated National Representative of the Union for that purpose.
- 34.5 Should the designated National Representative of the Union request information respecting contracting out which has not been covered by a notice of intent, it will be supplied promptly. If a meeting is requested to discuss such contracting out, it will be arranged at a mutually acceptable time and place.
- 34.6 Where the Union contends that the Company has contracted out work contrary to the provision of this Article, the Union may progress a grievance commencing at Step 2 of the grievance procedure. The Union officer shall submit the facts on which the Union relies to support its connection. Any such grievance must be submitted within 30 days from the alleged non-compliance.

ARTICLE 35

Printing of Agreements

- 35.1 The Company will undertake the responsibility for the printing of the collective agreements as may be required from time to time and will absorb the cost of such printing. This will include the cost of printing updated pages.

ARTICLE 36

Duration of Agreement

This Agreement, as amended, shall remain in effect until December 31, 2012, and thereafter, subject to three months' notice in writing from either party to the Agreement of its desire to revise, amend or terminate it. Such notice may be served any time subsequent to September 30, 2012.

Signed at Toronto, Ontario this 6th day of August 2010.

For: TORONTO TERMINALS
TERMINALS RAILWAY
COMPANY

For: NATIONAL AUTOMOBILE
AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS
UNION OF CANADA
(CAW- CANADA)

Frank O'Neill

Bob Fitzgerald

for: Joint Managers

President, Council 4000

Paul Penney

Director Operations TTR

APPENDICES

APPENDIX 1

TRAINING AGREEMENT -- TRACK EMPLOYEES

MEMORANDUM OF AGREEMENT between the Canadian Brotherhood of Railway Transport and General Workers and the Toronto Terminals Railway Company, in respect to the training of employees in the Track Department.

It is agreed that effective January 1, 1982, the following terms will apply in respect to the training of Track Maintenance Foremen and Track Maintainers.

- (1) Employees taking training under this Training Program shall, for the purpose of this agreement be designated as follows:
 - (a) Regular Employee: An employee holding a position as a Track Maintenance Foreman, Track Foreman, Track Maintainer, or Trackman, prior to January 1, 1982, or an employee becoming qualified as a Track Maintainer pursuant to paragraph (b) below.
 - (b) Trainee: An employee establishing seniority as a Trackman on or after January 1, 1982. Such employee shall be regarded as a Trainee until they become fully qualified as a Track Maintainer after which they will be regarded as a Regular Employee.
 - (c) Track Maintainer is defined as an employee who has successfully completed the training program for that or a higher classification and passed the qualifying tests as outlined herein.
- (2) A Regular Employee will be required to take training and attempt the qualifying tests for the classification of Track Maintainer. Instances where an employee requests that they not be required to take training because of particular circumstances, their case will be reviewed by the Regional Vice-president of the union or their authorized representative, and the proper officer of the Company. In the event such an employee does not take training, they will not be entitled to the higher rate.
- (3) A Regular Employee will not be permitted to apply for or take training for a higher classification until they have successfully completed the training and passed the qualifying tests in their present classification.
- (4) The Company shall determine the order in which employees will receive their training. The selection will be based on seniority order to the extent practicable.
- (5) An employee selected for training must attend and actively participate in all training sessions.
- (6) While in training, an employee will be paid at the rate of pay they would have received had they not been in training.

- (7) When regular rest days coincide with the classroom training sessions, other rest days will be given without loss of pay.
- (8) If, through mutual agreement in writing between the employee and the appropriate officer of the Company, an employee's annual vacation is rescheduled to enable them to attend the training program, the provisions of Article 9.11 shall not apply and the employee affected shall be granted their vacation as locally arranged.
- (9) The Company shall provide each employee taking training with test books and/or other written material required for training which will remain the property of the Company and must be returned on request or on leaving the service of the Company.
- (10) Employees will, when required, assist other employees to learn and understand the various aspects of their jobs.
- (11) The requirements for qualification in each classification, the training and corresponding tests to be given will be established by the Company.
- (12) **An** employee taking training will be required to take the corresponding oral, practical and/or written tests. **A** Trainee who fails a test on the first attempt will be given a second opportunity to pass such test prior to the expiration of two years cumulative compensated service. **A** Regular Employee who fails a test on the first attempt will be given a second opportunity to pass such test within a reasonable period of time.
- (13) A Trainee must qualify as a Track Maintainer prior to accumulating two years of cumulative compensated service. A Trainee who fails twice on the Track Maintainer's test during such two year period will be released from the service or in the case of an employee who transferred from another department covered by their Collective Agreement such employee may, seniority permitting, return to their former position.
- (14) **A** Regular Employee who fails twice on any test will be considered for further testing on their own time providing that the Company is not put to any expense or undue inconvenience. Such employee desiring further testing must apply in writing to their supervisor requesting an appointment.
- (15) **An** employee who fails any test and claims they did not have a proper test may appeal the decision under the provisions of Article 24.5, starting at Step 2.
- (16)
 - (a) **An** employee who has not completed the training program and passed the qualifying tests for Track Maintainer or a higher classification will not be entitled to the Track Maintainer's rates.
 - (b) An employee who has not completed the training program and passed the qualifying tests for Track Maintenance Foreman shall not be entitled to the Track Maintenance Foreman's rate while working as a Foreman, but shall receive the Track Foreman's rate.

- (17) (a) When vacancies of more than 30 days occur in the position of Track Maintenance Foreman or new or temporary positions of over 30 days in that classification are created, employees not working as such who have successfully completed the training and passed the qualifying tests for that classification will be given preference in the application of Article 12.9(a). In the event that no such employee makes application therefore, the junior qualified available employee trained as Track Maintenance Foreman and not working as such will be required to assume the position.
- (b) In the application of clause 17(a), an employee hired on or after January 1, 1982 who applies for and successfully completes training for the classification of Track Maintenance Foreman must, when their seniority entitles them, accept such promotion. Such employee failing to accept promotion shall be released from the service, unless otherwise mutually agreed.
- (c) In the event that the position is not filled in accordance with clause 17(a), an employee, not previously trained as Track Maintenance Foreman who is the successful applicant to the position must complete the training and become qualified within 12 months from the date of assuming the position or be returned to their former position and prohibited, thereafter, from filling a position of Foreman.
- (18) In the event that new classifications, for which training may be required, are established in the department, they may be incorporated into the meaning of this Memorandum by appropriate changes in the wording, as mutually agreed, giving effect to the principles outlined herein.
- (19) This Memorandum shall not apply to the positions of Machine Operator, Foreman Welder or Welder, or other classes of employees not specifically mentioned.

Signed at Toronto, Ontario, this 5th day of March 1982.

FOR THE UNION

Bob Gee
For: F.C. Johnston

Regional Vice-president
C.B.R.T. & G.W.

FOR THE TORONTO TERMINALS
RAILWAY COMPANY

M. Delgreco

For: Joint Manager

APPENDIX 2

NOTE: The Company and the Union agreed during the negotiations, which concluded May 24, 2007, that this appendix requires amendment to reflect current operating and training circumstances. To avoid any delay in printing and distributing the edited Collective Agreement the required amendments may be applied following the printing of the Collective Agreement.

TRAINING AGREEMENT -- WELDER HELPERS

MEMORANDUM OF AGREEMENT between the Toronto Terminals Railway Company and the Canadian Brotherhood of Railway, Transport and General Workers with respect to the payment to Welder Helpers while undergoing the Welder's Training Program on the Toronto Terminals Railway Company.

It is agreed that the rate of pay for Welder Helpers will be determined as follows:

1. (a) Successful applicants for the position of Welder Helper will be paid the starting rate of the position upon commencement of training.

(b) After successfully completing Phase 1 of the Welder's Training program, an increase of \$.25 per hour will be added to the Welder Helper's starting rate outlined in 1(a) above.

(c) After successfully completing Phase 2 of the Welder's Training Program, a further \$.25 per hour will be added to the rate outlined in 1(b) above.

(d) After successfully completing Phase 3 of the Welder's Training program, a final increase of \$.25 per hour will be added to the rate outlined in 1(c) above.
2. Employees who are presently undergoing the Welder's Training program as of the date of the Memorandum of Agreement, will immediately have their rate of pay adjusted to reflect those in Item 1 above.
3. It is understood that those employees who undertake and successfully complete the Welder Training program and who are thereafter considered as qualified Welders, will be obliged to protect any Welder Foreman vacancies, permanent and temporary, as they occur.
4. This memorandum of Agreement is subject to cancellation by either party upon 30 days' written notice to the other. If such notice is issued unilaterally, the parties shall meet, upon the request of either, at the first available opportunity, with a view to resolving any concerns that may have occasioned notice of cancellation. Such cancellation shall not be considered as a technological, operational or organizational change.

Signed at Toronto, Ontario this 19 day of April, 1989.

For The Toronto Terminals
Railway Company

B Laidlaw
For Joint Manager

B. Butterworth
For: Joint Manager

For the Brotherhood

R.J. Stevens
Regional Vice-president
CBRT&GW

APPENDIX 3

30 September, 1998

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

As agreed during National Negotiations this letter will serve to confirm that the issue concerning temporary assignments and ESIMA entitlements is resolved with the following letter, effective the first of the month following ratification. The letter will form part of the ESIMA.

During discussions, the Union raised concerns about employees occupying temporary assignments and their entitlements and benefits under the Employment Security and Income Maintenance Agreement (ESIMA).

The Union pointed to situations where employees eligible for ES benefits: (1) were occupying temporary positions at the time of a change pursuant to Article 8.1 (a), (b) or (c); (2) suffered a permanent adverse effect as a result of such a change; and (3) were either denied the protections and options available under Article 7, or else were uncertain as to whether those provisions would be recognized and applied by the Company.

In order to clarify the situation, the Company assured the Union that if an employee had previously held a permanent regularly assigned position and then at some future date, while on a temporary position or a temporary assignment, suffered permanent adverse effects as a result of a change pursuant to Article 8.1 (a), (b) or (c), and the employee was otherwise eligible for benefits under the ESIMA then such an employee would be treated in exactly the same manner as an employee holding a permanent position. It is understood by both parties that maintenance of basic rates protection will not be established by employees displaced from temporary assignments or temporary positions.

In the case of employees holding a temporary assignment or a temporary position who were previously laid off for any reason, and who have not yet re-established themselves in a permanent regularly assigned position, the end of the temporary assignment or temporary position will not trigger, in and of itself, the application of benefits under the ESIMA.

If the above reflects our discussions on this matter, please so indicate in the space provided.

Yours truly,

Normand Dionne

For Joint Managers

I concur:

Rick Johnston

Rick Johnston
President, Council 4000

APPENDIX 4

5 October 1998

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th
Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston,

During Negotiations the Company raised the issue of establishing a Transfer of Benefits process for bargaining unit employees within the Toronto Terminals Railway. The Company and the Union have agreed that in principle, the application of the Transfer of Benefits provisions in Article 7.14, Options 1, 2, or 3, will be offered to senior employees on the affected roster, providing the Company can easily match the surplus employee's qualifications, to those craft specific requirements of the position that would be vacated.

As such the Company and the Union will meet within 60 days from ratification of this Agreement in order to finalize language around this principle, which will be in effect for the duration of the contract.

If the above reflects our discussions on this matter, please so indicate in the space provided.

Yours truly,

Normand Dionne

For Joint Managers

I concur:

Rick Johnston

Rick Johnston
President, Council 4000

APPENDIX 5

30 September 1998

Mr. Rick Johnston
President Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Crémazie Boulevard East, 15th
Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston

During the current round of negotiations, the parties discussed the additional job requirements that have been incorporated within the position of Track Maintenance Foreman.

Specifically the position will now be responsible for the inspection of all track on the Toronto Terminals Railway. This inspection process requires the employee to be certified in accordance with N.T.A. guidelines.

As a result of these discussions and after a careful review of the essential duties of the position, the parties agreed to adjust the basic rate for this one position, in accordance with Article 21.7 of the Collective Agreement. The new hourly rate will be equal to the rate identified in the collective agreement for a Track Maintenance foremen with greater than eight employees reporting to them.

Should you agree that the above noted is an accurate reflection of our discussions, would you please append your signature in the appropriate space provided below.

Yours truly,

Richard Chorkawy

Superintendent TTR

I concur:

Rick Johnston

Rick Johnston
President, Council 4000

APPENDIX 6

**Deleted through negotiations concluded May 24, 2007.
Article 16 amended to include content.**

APPENDIX 7

6 August 2010

Mr. B. Kennedy
President, Council 4000
National Automobile, Aerospace,
Transportation & General Workers Union
of Canada (CAW - Canada)
14923 107 Avenue
Edmonton, Alberta
T5P OX8

Email : bkennedy@cawcouncil4000.com

Dear Mr. Kennedy,

During the current round of negotiations, the parties discussed the demand to review and improve banking of overtime provisions by extending such provision to cover General Holidays and overtime worked.

As settlement to this issue, the Company is agreeable to the following conditions and which will take effect 1 January 2011.

1. Employees wishing to bank time must declare their intentions in writing to the Superintendent prior to 1 January of each year.
2. A maximum of eighty (80) pro rata hours will be permitted in any calendar year. The hours accumulated in the first four (4) months of the year, maximum forty (40) must be taken in the following 3 months. The hours accumulated within the next seven (7) months, maximum forty (40) must be taken prior to the end of the calendar year.
3. Accumulated hours must be taken during the calendar year in which they are accrued.
4. Overtime worked during the month of December will not be accrued.
5. Only punitive overtime hours associated with the General Holidays will be allowed to be banked.

6. The time at which employees will be permitted to liquidate accumulated hours will be mutually agreed between the Superintendent and each employee. However, the final determination will be at the discretion of the Superintendent according to the requirements and exigencies of the service. The Superintendent will not exercise this discretion without first consulting the Regional Representative of the Union for the purposes of exploring other alternatives.

Unless otherwise authorized by the Superintendent, banked time must be liquidated in blocks of five (5) or ten (10) days. The Company will, authorize single day bank time days, if requested prior to the day of the request, should the vacation allotment for that day not be met and or exceeded.

At the discretion of the Superintendent, any bank time not liquidated may be carried over to the following year or paid out in a lump sum payment.

Should this agreement be found to conflict with any law or regulation, it shall be null and void.

If you agree that the above properly reflects the understanding reached during our discussions, please indicate by signing this letter in the appropriate space provided below.

I CONCUR

Barry Kennedy
President, Council 4000

APPENDIX 8

Former Appendix 8 governing Temporary Seasonal Staff deleted through negotiations concluded May 24, 2007.

APPENDIX 9

June 14, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Cremazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

This is further to the discussions held during the course of the contract negotiations to renew Collective Agreement 5.32, at which time the parties agreed to implement an Informal Investigation Process, as per the attached.

The parties agree that this process will apply to all employees covered under the 5.32 Collective Agreement.

The President of Council 4000 will meet with the Vice-president of Labour Relations or his designate, to discuss and fully investigate any allegations of abuse of the informal discipline system. Should either party consider that the informal process is not being used in the manner in which it was originally intended, or is being applied in bad faith, either the aforementioned national officers of the Union and the Company may suspend for a limited period of time, or completely withdraw from the informal process, at that specific department, office, or location until the expiration of the collective agreement.

If you concur with this understanding, would you please so indicate by signing below.

Yours truly,

I concur:

Alain De Montigny

Rick Johnston

For Joint Managers

Rick Johnston
President, Council 4000

APPENDIX 10

June 14, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Cremazie Boulevard East, 15th Floor
Montreal, Quebec H2M 2V1

Dear Mr. Johnston:

With reference to our discussions during contract negotiations concerning Article 34-Contracting out.

The Union has expressed its concern that the Company has been relying on Article 34.1 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 Article 34.1 (b), the Company confirms that it is not its intent to rely on this exception to justify contracting out at locations where, after February 15, 1999, employment levels were reduced through Company downsizing.

The above understanding will be appended to Collective Agreement 5.32 and will be effective from the date of signing this letter and remain in force until December 31, 2003.

Yours truly,

Alain De Montigny

For Joint Managers

I concur:

Rick Johnston

Rick Johnston
President, Council 4000

APPENDIX 11

June 14, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Cremazie Boulevard East, 15th Floor
Montreal, Quebec. H2M 2V1

Dear Mr. Johnston:

This has reference to the discussions held during the course of the contract negotiations to renew Collective Agreement 5.32, pertaining to the issue of applicability of the provisions of Article 14- Employment Security and Income Maintenance Plan (ESIMA).

During these discussions, the Union asked to be provided with a letter of understanding that would reflect CN's and CP's commitment to the Union that all employees will be accorded full ESIMA protection in the event that TTR does not continue to exist during the life of this contract.

This will confirm the Toronto Terminals Railway Company and that of CN and CP's commitment as Joint Managers that the provisions of the applicable ESIMA Agreement will continue to apply to those eligible employees covered under the terms of Article 14 of Collective Agreement 5.32, including the event raised of the TTR ceasing to exist during the closed period of this agreement.

If you agree that the above reflects our understanding, please so signify by signing in the space provided below.

Yours truly,

Alain De Montigny

For Joint Managers

I concur:

Rick Johnston

Rick Johnston
President, Council 4000

APPENDIX 12

June 14, 2001

Mr. Rick Johnston
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
545 Cremazie Boulevard East, 15 th Floor
Montreal, Quebec. H2M 2V1

Dear Mr. Johnston:

This has reference to the discussions held during the course of the contract negotiations to renew Collective Agreement 5.32, regarding the issue of introduction of Flexible Hours of Work during the Summer period.

This will confirm the parties' agreement to further discuss and review the feasibility of the proposal on a local basis during the closed period of the Agreement, and if conclusive, introduce same on a trial basis with no finality to either party should it be found not satisfactory to either party.

Such discussions are to begin within thirty (30) days following ratification of the Agreement.

If you agree with that the above reflects our understanding, please so signify by signing in the space provided below.

Yours truly,

I concur:

Alain De Montigny

Rick Johnston

For Joint Managers

Rick Johnston
President, Council 4000

APPENDIX 13

August 6, 2010

Mr. R. Fitzgerald
President CAW Council 4000
65 Front Street West, Suite 290
Toronto, ON M5J 1E6

Dear Mr. Fitzgerald,

This has reference to the matter of pass transportation benefits presently applicable to employees of Canadian National Railway Company (CN) represented by your respective organization, and the status of this benefit as to its future application on trains operated now and in the future by VIA Rail Canada Inc.

This will confirm that the matter of pass transportation benefits has been resolved on the basis that, subject to the demands of the traveling public, the present pass policies on CN will be maintained for employees represented by you who were in the service of CN on or prior to March 13, 1979, until the time notices are served on or subsequent to September 30, 2006, and thereafter until the provisions of Section 89 of part I of the Canada Labour Code have been complied with or until some other mutually satisfactory resolution of this matter is agreed.

Employees are required to return unused **VIA** Rail tickets to avoid unnecessary costs to CN. Employees who do not return unused tickets, will be notified their transportation privileges will be subject to suspension pending the return of unused tickets to the Company, within 30 days. Where timely notification is not received by CN, individual transportation privileges will be suspended and the President of Council 4000 will be notified.

For the purpose of this letter, the word "employees" includes pensioners. Reference to CN includes TTR.

Yours truly,

Signed Frank O'Neill

for: Kim Madigan
Vice-president Labour Relations

APPENDIX 14

Wane Rate Table

The following rates of pay will apply during the period of the contract.

Rate Table

	2009	2010	2011	2012
Cleaner	\$20.78	\$21.28	\$21.83	\$22.49
Gate Keeper	\$20.78	\$21.28	\$21.83	\$22.49
Track Person	\$20.79	\$21.29	\$21.84	\$22.50
Track Maintainer	\$22.40	\$22.94	\$23.53	\$24.24
Flagman Level I (new position)	\$22.80	\$23.35	\$23.95	\$24.67
Flagman Level II	\$24.19	\$24.77	\$25.41	\$26.18
Asst Track Maint. Foreman	\$24.46	\$25.05	\$25.70	\$26.47
Group 3 Trainee	\$24.18	\$24.76	\$25.40	\$26.17
Machine Operator Group 3	\$24.46	\$25.05	\$25.70	\$26.47
Group 2 Trainee	\$24.74	\$25.33	\$25.99	\$26.77
Machine Operator Group 2	\$25.78	\$26.40	\$27.09	\$27.90
Group 1 Trainee	\$26.06	\$26.69	\$27.38	\$28.20
Machine Operator Group 1	\$26.87	\$27.51	\$28.23	\$29.08
Welder Trainee 1-12 Months	\$25.79	\$26.41	\$27.10	\$27.91
Welder	\$26.87	\$27.51	\$28.23	\$29.08
Welder Foreman	\$27.74	\$28.41	\$29.14	\$30.02
Track Maintenance Foreman	\$27.74	\$28.41	\$29.14	\$30.02
Flagman Level III (new position)	\$28.00	\$28.67	\$29.42	\$30.30

- Machine Operator Group 1** Includes Crane
- Machine Operator Group 2** Includes Speed Swing, Boom Truck, PEM/LEM
- Machine Operator Group 3** Includes Backhoe, Snow Blower Truck

APPENDIX 15

May 24, 2007

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<p>Guidelines Covering the purchase of prescription safety eyewear (glasses)</p>
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AEARO Safety is CN's (TTR) preferred supplier for prescription safety eyewear. AEARO is the largest prescription safety eyewear manufacturer in Canada and all products meet or exceed the CSA eyewear standards.

TTR's safety eyewear standards provide the guidelines on when and where the eyewear is to be worn, colour tints available, quantity allowed, etc. These safety eyewear standards can be located on the e-mail Bulletin Board under SAFETY – STANDARDS.

ORDERING PROCESS:

1. Check for eligibility with your supervisor.
2. Employees represented by the IBEW receive a subsidy of 100% for one pair of prescription safety eyewear (glasses) per year.
3. Obtain an AEARO Authorization Form from your supervisor.
4. Have your supervisor complete the top portion of the AEARO authorization form. Incomplete forms will be returned, thus creating unnecessary delays and frustration.
5. Visit your eye doctor and obtain your prescription.

NOTE: TTR does not pay for the eye doctor examination. This, however, may be claimed through your Benefit Plan (check Plan for details). There is no need to visit another eye doctor if you have a current written prescription.

6. Visit an approved AEARO dispenser for frame fitting and sizing. AEARO dispensers also have eye doctors, if you wish to have your eye examination done at the same time as you select your glasses. To find out the AEARO dispenser nearest you, call AEARO at 1-800-268-4031 (or 1-800-361-6396 for French service) or consult the listing in the Bulletin Board under Safety – Procedures – Dispensing List.

The dispenser will order your glasses and, once received, will advise you that your glasses are ready for pick-up and fitting.

COMPLETING THE FORM:

Following is the process for completing the AEARO authorization form.

Your supervisor should have the form that you should fill out.

Form Title: **Aearo AOSafety**
Canadian National Railway/Aearo Canada Ltd.
Prescription Safety Eyewear Order Form
Form Number: **SRxF – 089. RevB – 07/01/99**

Please print on the form:

Date:	Date of the order
Name of employee:	Name of employee ordering prescription safety eyewear
Employee P.I.N.:	ordering prescription safety wear
Employee Dept.:	Department of the employee ordering prescription safety eyewear
Employee Location:	Employee's Work location
Transition eyewear (yes or no):	
Supervisor Name:	Name of supervisor approving the employee order for safety eyewear Note: Supervisor's name must be legible
Supervisor Title:	Title of the supervisor approving the ordering of the prescription safety eyewear
Supervisor Phone #:	Where he/she can be reached should there be a discrepancy with the form.
Supervisor Signature:	Signature of supervisor approving the ordering of prescription safety eyewear
Supervisor Signature for Transition Lenses:	Signature of supervisor approving the ordering of Transition lenses

IMPORTANT: ONE FORM IS REQUIRED FOR EACH PAIR OF EYEWEAR ORDERED

The eye doctor and the dispenser will complete the remainder of the form.

Price:

\$120/pair for: - any type of **AEARO** frame (collection of approximately 30 frames)

- any type of lens
- any type of prescription
- tints (as allowed by **CN** safety standards)
- anti-reflective coating
- anti-scratch coating
- fitting fees

\$170/pair for: - all of the above + transitional lenses (lens changes tint with light intensity). Note: Transition lenses will only be permitted in accordance with **CN** safety standards.

APPENDIX 16

6 August 2010

Mr. B. Kennedy
President, Council 4000
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
14923 107 Avenue
Edmonton, Alberta
T5P 0X8

Email: bkennedy@cawcouncil4000.com

Dear Mr. Kennedy:

This letter of understanding relates to the Union's demand for "The Local Chairperson/Shop Stewart to be granted two days leave of absence each month with pay to attend Union business, upon reasonable notice to the Company."

The Company reviewed the Union's demand and has agreed to the following resolution to the demand.

"The Local Chairperson/Shop Stewart will be granted one day leave of absence each month with pay to attend Union business, upon reasonable notice to the Company."

This understanding is not intended to alter or amend the right and privileges found in Article 17 of the Collective Agreement.

This letter of understand will not form part of the Collective Agreement.

Paul Penney
Director of Operations

Barry Kennedy
President National Council 4000

APPENDIX 17

Health Care Spending Account

POST-RETIREMENT HEALTH CARE PLAN

The parties specifically agree that granting of the Post Retirement Health Care Plan shall not form part of, or be interpreted as part of the Collective Agreement.

Effective the first of the month following 6 months after ratification or as soon as the administrative systems are available, the Company will establish a Post-retirement Health Care Plan for the payment of post-retirement health care benefits. The provisions of the Plan are summarized below:

- ***Eligibility Conditions***

An active employee shall be eligible to apply for post-retirement health care benefits if that active employee satisfies all minimum eligibility conditions:

- Employee must be active on or subsequent to January 1, 2010. For greater clarity, this includes active employees who are in receipt of short- and long-term disability benefits, maternity, parental and compassionate care leaves or on a union office leave as of ratification date.
- Employee must retire from the Company and start receiving immediate pension payments from the TTR Pension Plan on or after January 1, 2010.
- Employee must be at least age 55 at the time of retirement.
- Employee must have a minimum of 85 points* at the time of retirement.

Employees who have been severed (including bridged under Article 7 of the ESIMA) under any separation agreement prior to January 1, 2010 are not eligible to participate in this plan. Employees who retire on or after attaining age sixty-five (65) are also not eligible. Eligible employees who retire between January 1, 2010 and implementation date will receive their first payment at implementation date and be entitled to a retroactive payment to cover the period between retirement date and implementation date.

- ***Post-retirement Health Care Benefit***

An employee who satisfies the above eligibility conditions will be entitled to receive a fixed, annual post-retirement health care benefit. The amount of the annual post-retirement health care benefit will vary based on service in excess of 15 years. The annual benefit amount shall be calculated as follows:

- \$35 per year of Eligible Service for employees with at least 85 points at the time of retirement

Eligible Service is defined as years of Pensionable Service at the time of retirement in excess of 15 years. The maximum Eligible Service is 20 years and the maximum annual benefit is \$700. For e.g.:

Age at retirement:	55
Pensionable Service at retirement:	32.5
Points at retirement:	87.5
Eligible Service at retirement:	$32.5 - 15 = 17.5$
Annual benefit amount:	$17.5 \times \$35 = \612.50

- ***Form and method of Payment***

Upon retirement, the Company will set up a Health Care Spending Account (HCSA) for eligible employees. The annual post-retirement health care benefit will be allocated to the employee's HCSA directly on a monthly basis.

The monthly allocations will begin on the first of the month following retirement and cease on the first of the month following attainment of age 65. For greater clarity, the monthly allocations to the employee's HCSA will cease upon reaching age 65 regardless of the start date. For e.g., an employee retires on October 15th of a given year, the monthly allocations will start on November 1st of that year (the annual benefit payable during the first year is adjusted by a factor of 0.25 (or 3/12 months)).

Administration fees related to the HCSA will be paid for by the Company. Provincial Retail Sales Taxes, where applicable, will be charged to the HCSA.

The HCSA will be subject to the rules of the Income Tax Act. Amounts allocated to the employee's HCSA can only be used to pay for eligible medical expenses as defined under the Income Tax Act. The Company will work with the selected vendor to provide the most efficient benefits delivery.

- ***Survivor Benefits***

In the event the eligible employee dies while in receipt of post-retirement health care payments, the surviving spouse, if any, shall be entitled to 55% of the member's post-retirement health care benefit. The reduced benefit (55% survivor benefit) will be paid to the surviving spouse in the same form and until the same date at which the employee's benefit would have ceased (when the deceased employee would have attained age 65). The surviving spouse, if any, shall be the same surviving spouse as for pension purposes.

APPENDIX 18

Memorandum of Agreement between the Company and the Canadian Auto Workers concerning the implementation of three levels of Flagman including the training, qualification and awarding of these positions.

1. In accordance with article 10.1 of agreement 5.32, it is agreed that the Company will amend article 10 of agreement 5.32 and establish a new classification of Flagman classifications of Level I, II and III. A separate seniority list will be established for Level III.
2. Rates of pay for employees who currently hold Flagman positions as of the date of ratification will be maintained at a minimum of Level II while working as a Flagman Level I.
3. A) Employees holding permanent Flagman positions as of the date of ratification will be permitted to occupy a Level II position.
B) In the event the Company does not provide training in any given year for Level II positions and in the absence of sufficient applicants qualified at Level II, the Company will appoint in order of seniority, Level I employees to these positions. These employees will receive the Level II rate of pay but, will not be classified as a Level II until they are awarded such a position by bulletin.
C) Employees occupying Level II classification a year following ratification and who are unable to hold a Level II position at that time due to a lack of qualifications from not being trained while a junior employee occupies such a position, will be considered as qualified for the position pending training. Failure to successfully complete the Level II training will result in the employee being reviewed for proper placement.
- 4.2 Flagman positions Level I & II will be advertised in accordance with the Collective Agreement provisions. Employees will be awarded positions in order of seniority provided they are qualified.
- 4.3 Provisions for Flagman Level III positions will be advertised in accordance with the Collective Agreement provisions and will be awarded based on the following criteria:
 - A) Employees must be able to efficiently lead, guide, direct employees and the gang's operation in the effective and safe performance of work.
 - B) Applicants' qualifications will be evaluated by means of Supervisory reviews and tests. Positions will be awarded to the employee with the required qualifications and who have a minimum of one year seniority under Collective Agreement 5.32.
 - C) On the initial appointment to a Level III position, the Company and the employee will have up to 120 days from the date the employee commences work as a Level III Flagman to evaluate performance. An employee who voluntarily removes himself or who fails to meet the requirements of the position may, based on operational requirements, displace onto Level II then Level I positions then will return to his former position. During this 120 day period the employee's former position will be advertised as temporary.

5. Employees occupying positions of Flagman Level III will only be subject to displacement by other employees senior to them in the respective classification.
6. The requirements for qualifications, training and corresponding tests to be used, will be established by the Company.

Paul Penney
Director of Operations

Barry Kennedy
President National Council 4000

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