

COLLECTIVE AGREEMENT

between

Canadian Pacific

and the

UNITED STEELWORKERS TC LOCAL 1976

Regarding operations of the

Police Communications Centre

January 1, 2018



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between

Canadian Pacific

- hereinafter referred to as the Company -

and the

UNITED STEELWORKERS TC LOCAL 1976

-- Hereinafter referred to as the Union--

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Police Communications Centre

Revised as of January 01, 2018

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PREAMBLE

This agreement governs rates of pay, hours of work, and working conditions of employees in positions to which this agreement applies.

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

ARTICLE 1

DEFINITIONS

ABSENT ON LEAVE means absence on account of annual vacation, sickness or authorized leave of absence.

ASSIGNED EMPLOYEE means an employee employed on a regular assignment who reports for duty each day of his assignment without notification.

UNASSIGNED EMPLOYEE (Spare Employee) means an employee who does not hold a permanent position by bulletin and who reports for duty as required due to work being irregular.

PERMANENT UNASSIGNED EMPLOYEE means an employee who holds a permanent position by bulletin with no regular assigned hours and/or with no regular assigned days off.

MUTUAL AGREEMENT and MUTUALLY AGREED means agreement between the President and the appropriate Company Officer or their representatives when authorized.

LOCAL AGREEMENT means agreement between the local Union Representative and the appropriate Company Officer or their representatives when authorized and approved by the President of the Union and the Manager, Labour Relations.

CUMULATIVE COMPENSATED SERVICE: See Income Security Agreement for definition.

ARTICLE 2

INTERPRETATION

- 2.1 Where necessary, the Company shall translate this agreement into French. If, in respect of any Article of this agreement, there is a dispute concerning a difference in meaning between the French text and the English text, then the English text will prevail.
- 2.2 Any Memorandum of Agreement entered into by the parties shall be translated into French as translation resources become available. If, in respect to any provision contained in such Memorandum of Agreement, there is a dispute concerning a difference in the meaning between the French text and the English text, then the English text will prevail.

ARTICLE 3

UNION RECOGNITION

- 3.1 The Company recognizes the Union as the sole collective bargaining agent of employees in positions under the scope of this agreement.

ARTICLE 4

BASIC RATES OF PAY

4.1 Effective January 1, 2018, the basic rate of pay shall be \$ 34.628 per hour.

Starting Rates

(a) Employees entering the service will be compensated as follows:

Training Rate	85% of basic rate
Probation Rate	90% of basic rate
Thereafter	100% (Job Rate)

4.2 For the duration of this Collective Agreement, the wages will be adjusted as follows:

Hourly Rates of Pay - Police Dispatcher					
Year	2018	2019	2020	2021	2022
85 %	29.434	30.022	30.623	31.235	31.860
90 %	31.165	31.788	32.424	33.073	33.734
100 %	34.628	35.321	36.027	36.747	37.482

4.3 The Gainshare Program has been cancelled effective December 31, 2017

- i) In lieu of the Gainshare Program lump sum payments will be made in 2019 and 2020.
- ii) The lump sum payments will not be less than the payment in 2017 for the 2016 gainshare program year.

4.4 Hourly rates of pay for years 2021 and 2022 may increase by up to 1% contingent upon the Company's Revenue Tonne Mileage metric.

ARTICLE 5

HOURS OF SERVICE

- 5.1 Duty rosters may be created containing shifts of 8 hours, 10 hours or 12 hours, or combination thereof consistent with the operational requirements of the Department.
- 5.2 A system of rotating shifts and assigned rest days will be established by the company.
- 5.3 Duty rosters may be modified once established to meet the demands of the service.
- 5.4 Except as otherwise provided in Article 8.02 duty rosters covering three week periods will be posted and will show employees' tours of duty, starting times and rest days.
 - 5.5.1 Duty rosters will commence at 0001 hours on Sunday up to and including 2359 hours on the third Saturday thereafter, and will be posted forty-eight hours in advance of the commencement of the three week period. Upon request, Local Union Representative will be supplied with a copy of the posted duty roster.
 - 5.5.2 Should eight hour shifts be established, an employee's schedule will not contain more than 2 turn-arounds of 8 hours or less in any calendar week. However, such schedule may be subsequently modified as outlined in Article 5.3.
- 5.6.1 When starting times are to be changed, at least twenty-four hours notice will be given the employee affected. If such notice is not provided, the employee will be paid at overtime rates for the shift in question.
- 5.6.2 It is understood that if at least twenty four hours notice is provided, this shift will be included in the averaging period
- 5.7 It will be the responsibility of an employee absent account illness or injury, or on annual leave or leave of absence, to contact his departmental office prior to return to duty in order that he may be informed of his tour of duty.
- 5.8 An employee prevented from completing a shift due to a bonafide injury sustained while on duty, will be paid for his full shift at straight time rates of pay, unless the employee receives Worker's Compensation benefits for the day of the injury, in which case the employee will be paid the difference between such compensation and payment for their full shift.

5.9 **Shift Differential**

Employees whose regularly assigned shifts commence on or after 1800 hours shall receive a shift differential of \$1.00 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.

5.10 **Loss of Wages in Emergent Situations**

- (a) All employees are expected to make every effort to report for work on time, notwithstanding snow or storm conditions. However, in the circumstances quoted above, it is agreed that employees who arrive late for their assignments, but report prior to the mid-point of their tour of duty, will be paid for the day, provided such late arrival is directly attributable to the aforementioned severe conditions. Employees who report after mid-point of their tour of duty will be paid one-half day.
- (b) With respect to employees who are unable to report for work due to the aforementioned severe conditions, or who report after the mid-point of their tour of duty, it is agreed that such employees may be given the opportunity to work additional hours at straight-time rates in order to make up part or all of such lost time. It is understood that such arrangements will only apply insofar as they do not conflict with the provisions of the Canada Labour Code.
- (c) Article 5.10 only applies when the proper municipal authorities have requested the public to leave their motor vehicles at home and local public transportation services are, as a result, not operating.

ARTICLE 6

EXCESS HOURS

- 6.1 Time worked on proper authority during an averaging period in excess of scheduled hours will be considered as excess hours, and paid at time and one half rates at the completion of the averaging period (2, 4 or 6 weeks). The averaging period will coincide with the pay periods.

NOTE: Excess hours performed by an employee due to moving from one assignment to another, or to or from an unassigned or laid off list will not be part of the averaging period and will not be paid at time and one half.

- 6.2 Hours worked, including any paid authorized leave as outlined in the Canada Labour Code and pre-approved banked hours taken in lieu, for each designated averaging period will be totaled and hours in excess of 40 hours times the number of weeks in the averaging period will be paid at time and one-half rates. (i.e. Hours worked over 160 hours in a 4 week averaging period would be paid at time and one-half rates.)

NOTE: For clarification purposes, paid authorized leave includes general holidays (this does not impact the payment of a general holiday) Additionally, paid authorized leaves includes pre-approved bank hours taken in lieu. It does not include sick leave or any other authorized leave which does not include payment from the Company.

- 6.3 There shall be no overtime on overtime; neither shall overtime hours paid or, other than hours not in excess of eight paid for on holidays or for changing shifts, be utilized in computing the forty hours per week, nor shall time paid for in the nature of arbitraries or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose, except when such payments apply during assigned working hours in lieu of pay for such hours, or where such time is now included under existing rules in computations leading to overtime.
- 6.4 Subject to article 6.1, if an employee is called in advance of his/her regular starting time, he/she shall be paid for all time worked in advance of and continuous with his/her regular starting time with a minimum of one (1) hour. Excess hours will be calculated and paid based on the excess hours provision.
- 6.5 Employees shall not be required to suspend work during regular hours to absorb excess hours.

6.6 Except as otherwise provided in Article 6.1, employees notified or called to perform work not continuous with, before or after, the regular work period shall be paid for a minimum of three hours. If held on duty in excess of three hours, shall be paid for actual time worked. Excess hours will be calculated and paid based on the excess hours provision.

6.7 Subject to article 6.1, excess hours of four hours or less continuous with regular shifts will be made available to qualified employees working on the shift. Work in excess of four hours as provided for in this Article will first be made available to unassigned employees who have not qualified for excess hours pay. If none available, this work will be offered to employees under the excess hours provision in accordance with Article 6.8.

6.8 Assignment of Excess Hours

(a) Work identifiable as belonging to a specific position.

Work in excess of the normal work day that is required to be performed shall be assigned, whenever practicable, to the occupant of that position.

(b) Work in excess of the normal work day that is required to be performed in a particular office, shed or work location which is not identifiable as belonging to a specific position due to there being two or more positions in the same job classification and performing the same work:

(1) Work in excess of the normal work day that is required to be performed that is brought about by an increase in work load or by an employee being absent from work and not replaced, shall first be assigned to the senior qualified employee in that job classification in such office, shed, work location and shift where such work is required who has signified a desire to work excess hours pursuant to paragraph (3) of this Clause (b); however, if excess work remains to be assigned, the junior available qualified employee in that job classification in such office, shed, work location and shift, will be required to work the excess work.

(2) Work in excess of the normal work day that is required to be performed which is brought about by an employee being absent and the Company requiring a replacement, shall first

be assigned to the senior qualified employee in that job classification in such office, shed or work location, where such work is required who has signified a desire to work excess hours pursuant to paragraph (3) of this Clause (b); however, if excess work remains to be assigned, the junior available qualified employee in that job classification in such office, shed or work location will be required to work.

- (3) Employees who wish to work excess hours shall so signify their availability in writing and a list will be prepared and updated as required with a copy to the Local Chairperson. Except in extenuating circumstances, these employees will be required to work the excess hours when so assigned. An employee whose name is on the list and who no longer wishes to work excess hours may have his/her name removed from the list upon serving three days written notice. An employee who refuses a call will have their name removed from the Excess Hours List for a period of 30 days from the date of the call. An employee whose name has been removed, or is not on the list, and who wishes to work excess hours shall be required to submit a request in writing to have their name placed or re-instated on the Excess Hours List.
- (4) Employees who wish to make up lost time shall so signify their availability in writing and a make up list will be prepared and updated as required with a copy to the Local Chairperson. Except in extenuating circumstances, these employees will be required to work the make-up time when so assigned. An employee who no longer wishes to remain on the make-up list may have his/her name removed from the list upon serving three days written notice. An employee who refuses a call will have their name removed from the make-up list for a period of 30 days from the date of the call. Employees on the make-up list will be called after spare employees but ahead of employees on the excess hours list. Once an employee has made up the lost time, the employee will no longer be called from the make-up list.
- (5) Arrangements may be made to assign the excess work on a different basis by local agreement.

NOTE: The provisions of Clauses (a) and (b) above shall apply to the extent they are consistent with the Canada Labour Code in respect of the maximum number of hours of work per week.

- 6.9 All hours worked on proper authority during an averaging period in excess of scheduled hours will be shown as a separate item on the pay slips of employees.
- 6.10 Employees may either be paid out time for excess hours worked at time and one-half worked or elect time off (banking) for excess hours work in lieu of such payment in accordance with the following:

Payment

- (a) Employees working excess hours may indicate their desire to be paid at the overtime rate. Should an employee work excess hours during the averaging period, the employee will be paid at the pro-rata rate (straight time rate) for all hours worked in that averaging period. If entitled to overtime at the end of the averaging period, the employee will be paid the difference between the pro-rata rate already paid and the Overtime Rate for all excess hours worked.

Banking

- (b) Employees may elect time off for excess hours worked in lieu of payment at time and one-half. A maximum of 200 hours at the straight time may be accumulated at any given time for the purposes of time off and a maximum of 48 accumulated straight time hours may be taken as time off in any given instance. While the accumulation and taking of time off in lieu of payment at the overtime rate must be agreed to between supervisors and employees, the final determination will be at the discretion of the supervisors according to the requirements and exigencies of the service. In cases where the averaging period is two weeks, at the end of that period, for any time worked in excess of 80 hours, employees will have the option to bank this as overtime or be paid at time and one-half rates.
- (c) In cases where the averaging period is greater than two weeks, prior to the commencement of the averaging period, employees must advise Company of their desire to either bank excess hours at the end of the averaging period or be paid for that averaging period. In such case, any hours worked in excess of 40 hours times the number of weeks in the averaging period will not be paid but will be held in abeyance. At the end of the averaging period, the excess hours will be banked at overtime rates of pay (time and one half). If there are no excess hours, hours worked will be paid at straight time rates of pay.

- (d) An employee who accumulates excess hours to be taken as time off may later elect to be paid for such overtime rather than take it as time off, if mutually arranged between the Company and the employee.
- (e) Subject to local agreement, employees may accumulate unlimited bank time in excess of the maximum hours permissible at time and one half as provided by Clause 6.10 (a) and Appendix A-11 4 (e)
- (f) Employees will be allowed to carry a maximum of 48 straight time hours of banked time into a new year. All hours in excess of 48 straight time hours will be paid out to each employee yearly in pay period 26.
- (g) Employees displacing or exercising seniority from one department, terminal, centre or office, or seniority list to another, must take all accumulated excess hours as provided by Clauses 6.10 (a) and 6.10 (c), immediately on the last pay period worked by the employee in the department where the excess hours was accumulated.

6.11 Employees required to work in excess of two hours continuous with their regular tour of duty, shall be allowed a twenty-minute meal period as soon as practicable without loss in pay.

ARTICLE 7

MEAL PERIOD

- 7.1 On those shifts constituting eight consecutive hours, twenty minutes shall be allowed for meal without deduction in pay not later than five hours following the commencement of such shifts. During such meal periods employees must remain alert and available for immediate service.

10 Hour Shifts

- 7.2 On those shifts constituting ten consecutive hours, twenty-five minutes shall be allowed for meal period without deduction in pay not later than six hours following the commencement of such shifts. During such meal periods employees must remain alert and available for immediate service.

12 Hour Shifts

- 7.3 On those shifts constituting twelve consecutive hours, thirty minutes shall be allowed for meal period without deduction in pay not later than seven hours following the commencement of such shifts. During such meal periods employees must remain alert and available for immediate service.
- 7.4 If the meal period is not afforded within the allowed or agreed time limit and is worked, the meal period shall be paid for at the straight-time rate and twenty minutes with pay in which to eat shall be afforded at the first opportunity.
- 7.5 Employees required to work less than three hours beyond their assigned hours of service shall be allowed twenty minutes with pay in which to eat after completion of their extra assignment. Employees required to work more than three hours beyond their assigned hours of service shall be allowed twenty minutes with pay in which to eat prior to commencing their extra assignment.

ARTICLE 8

ASSIGNED REST DAYS

- 8.1 Employees shall be assigned a minimum of two rest days during each calendar week. Such rest days shall be consecutive as far as possible and shall not be split except where it is necessary to meet the Company's operational requirements and that otherwise working an employee at overtime rates would be involved.

- 8.2 Employees, if required to work on regularly assigned rest day, who are not provided with a minimum of 24 hours notice, will be paid a three hour minimum at the rate of time and one half, for which three hours work may be required, and shall be paid at the rate of time and one-half on the actual minute basis for all time in excess of three hours. All hours worked under this provision and paid for at time and one-half will not be included in the calculation of hours worked in excess of the standard hours of work in the applicable averaging period. Subject to the maximum allowed bank time accumulation outlined in Article 6.8, an employee may choose to bank overtime earned under this provision, similar to the current practice with respect to overtime earned on a General Holiday.

ARTICLE 9

GENERAL HOLIDAYS

- 9.1 An employee who qualifies in accordance with Article 9.2 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 following the employee's rest day or, by mutual agreement, to the normal working day immediately prior to the employee's rest day. If the holiday is to be moved to the day prior to the employee's rest day, arrangements to that effect must be made at least 5 days in advance of the holiday.

New Year's Day

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

Easter Sunday

Victoria Day

St. Jean Baptiste Day

Canada Day

First Monday in August

Labour Day

Thanksgiving Day

Christmas Day

Boxing Day

- 9.2 In order to qualify for pay for any one of the holidays specified in Article 9.1, an employee:
- 9.2.1 Must have been in the service of the Company and available for duty for at least thirty calendar days; (this Clause 9.2.1 does not apply to an employee who is required to work on the holiday)
- 9.2.2 Must be available for duty on such holiday excluding vacation days. 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 he will be notified not later than the completion of his shift or tour of duty immediately preceding such holiday that his services will be required; (this Clause 9.2.2 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); and
- 9.2.3 Must be entitled to wages for at least twelve shifts or tours of duty during the thirty calendar days immediately preceding the general holiday. (This

Clause 9.3.3 does not apply to an employee who is required to work on the holiday.)

NOTE: Provided that an employee is available for work on the general holiday, absences from scheduled shifts or tours of duty because of bona fide injury, hospitalization, illness for which the employee qualifies for weekly sickness benefits and authorized maternity leave will be included in determining the 12 shifts or tours of duty referred to in this Clause 9.2.3.

- 9.3 A qualified employee whose vacation period coincides with any of the general holidays specified in Article 9.1 shall receive an extra day's vacation with the pay to which the employee is entitled for that general holiday.
- 9.4 An assigned employee qualified under Article 9.2 and who is not required to work on a general holiday shall be paid eight hours pay at the straight time rate of his regular assignment.
- 9.5 An unassigned employee qualified under Article 9.2 and who is not required to work on a general holiday shall be paid eight hours pay at the straight time rate applicable to the position in which such employee worked his last tour of duty prior to the general holiday.
- 9.6 An employee qualified under Article 9.2 and who is required to work on a general holiday shall be paid, in addition to the pay provided in Article 9.4 or 9.5, at a rate equal to one and one-half times his regular rate of wages for the actual hours worked by him / her on that holiday, with a minimum of three hours for which three hours service may be required.
- 9.7 An employee called for a specific purpose under Article 9.6 shall not be required to perform routine work to make up the minimum time referred to in Article 9.06.
- 9.8 Shifts or tours of duty commencing between 12:00 midnight on the eve of the general holiday and 11:59 p.m. on the night of the general holiday, both times inclusive, shall be considered as work on that holiday.
- 9.9 If the Government of Canada designates Heritage Day or such other day as a General Holiday, the day so designated by the Government shall be substituted for the first Monday in August in the Province of Quebec and for the day after that on which New Year's Day is observed in the other provinces.

10 Hour Shifts

- 9.10 An employee who is not required to work on a general holiday will receive 10 hours pay at the straight time rate of his regular assignment.
- 9.10.1 An employee who is required to work on such holiday shall receive 10 hours pay at one and one-half times his regular rate. In addition, such employee shall be paid 10 hours straight time.

12 Hour Shifts

- 9.11 An employee who is not required to work on a general holiday will receive 12 hours pay at the straight time rate of his regular assignment.
- 9.11.1 An employee who is required to work on such holiday shall receive 12 hours pay at one and one-half times his regular rate. In addition, such employee shall be paid 12 hours straight time.

ARTICLE 10

ANNUAL VACATIONS

- 10.1 An employee who, at the beginning of the calendar year, is not qualified for vacation under Article 10.2 hereof, shall be allowed one working day vacation with pay for each 25 days cumulative compensated service, or major portion thereof, during the current calendar year, with a maximum of 10 working days until qualifying for further vacation under Article 10.2.

For clarity, during their first year of service, an employee shall have his/her vacation entitlement pro-rated as follows:

Example #1 - An employee hired on January 1st is expected to accumulate 250 days of cumulative compensated service and shall be entitled to 10 days of annual vacation during his/her first year of cumulative compensated service (250 days/25 days = 10 days, s/he is entitled to the 10 day maximum of annual vacation)

Example #2 - An employee hired on July 1st is expected to accumulate 125 days of cumulative compensated service and shall be entitled to 5 days of annual vacation during his/her first year of cumulative compensated service (125 days/25 days = 5 days, s/he is entitled to the 5 days of annual vacation)

Example #3 - An employee hired on October 17th is expected to accumulate 54 days of cumulative compensated service and shall be entitled to 2 days of annual vacation during his/her first year of cumulative compensated service (54 days/25 = 2.16 Days, s/he will be entitled to 2 days of annual vacation.

- 10.2 An employee who, in the year s/he will attain a continuous employment relationship of at least 3 years, and who is expected to have completed at least 750 days of cumulative compensated service, shall have vacation scheduled on the basis of one working day's vacation with pay for each 16-2/3 days of cumulative compensated service, or major portion thereof, during the current calendar year, with a maximum of 15 working days; in subsequent years, the employee will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Article 10.3.

In the event, at the end of the calendar year, the employee fails to meet the criteria for incremental vacation entitlement noted herein, the reconciliation referred to in Article 10.13.2 will be done in accordance with annual vacation entitlement as defined by Article 10.1.

- 10.3 An employee who, in the year s/he will attain a continuous employment relationship of at least 10 years, and who is expected to have completed at least 2,500 days of cumulative compensated service, shall have his/her 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 current calendar year, with a maximum of 20 working days; in subsequent years, s/he will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Article 10.4.

In the event, at the end of the calendar year, the employee fails to meet the criteria for incremental vacation entitlement noted herein, the reconciliation referred to in Article 10.13.2 will be done in accordance with annual vacation entitlement as defined by Article 10.2.

- 10.4 An employee who, in the year s/he will attain a continuous employment relationship of at least 18 years, and who is expected to have completed at least 4,500 days of cumulative compensated service, shall have his/her 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 current calendar year, with a maximum of 25 working days; in subsequent years, s/he will continue vacation entitlement on the foregoing basis until qualifying for additional vacation under Article 10.5.

In the event, at the end of the calendar year, the employee fails to meet the criteria for incremental vacation entitlement noted herein, the reconciliation referred to in Article 10.13.2 will be done in accordance with annual vacation entitlement as defined by Article 10.3.

- 10.5 An employee who, in the year s/he will attain a continuous employment relationship for at least 28 years, and who is expected to have completed at least 7,000 days of cumulative compensated service, shall have his/her vacation scheduled on the basis of one working day's vacation with pay for each 8-1/3 days of cumulative compensated service, or major portion thereof, during the current calendar year, with a maximum of 30 working days.

In the event, at the end of the calendar year, the employee fails to meet the criteria for incremental vacation entitlement noted herein, the reconciliation referred to in Article 10.13.2 will be done in accordance with annual vacation entitlement as defined by Article 10.4.

- 10.6 In the application of Article 10.5, the Company will have the option of:

- (a) Scheduling an employee for five weeks vacation with the employee being paid for the sixth week at pro rata rates; or

- (b) Splitting the vacation on the basis of five weeks and one week.
- 10.7 In computing service under Articles 10.1, 10.2, 10.3, 10.4 and 10.5, days worked in any position covered by similar vacation agreements shall be accumulated for the purpose of qualifying for vacation with pay.
- 10.8 An employee will be compensated for vacation at the higher of the two following rates:
- (a) the rate of pay that s/he would have earned had s/he been on vacation during such period; or
 - (b) the percentage of current years gross earnings as follows: 1 week 2%, 2 weeks 4%, 3 weeks 6%, 4 weeks 8%, 5 weeks 10%, 6 weeks 12%.
- 10.9 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.
- 10.10 Except for employees in the main shops, employees entitled to three or more weeks vacation may apply under Article 10.11 of the collective agreement to split their vacation in two or more portions, none of which will be less than one week. Where vacations are split the preference in order of seniority of applicants shall be limited to the portion indicated as first choice. Main shop employees entitled to five or more weeks vacation may apply to split their vacation on the basis of taking the vacation entitlement in excess of the annual shop shutdown separately.
- 10.11 Applications for vacation from employees filed between December 15th of the previous year and January 31st shall, insofar as it is practicable to do so, be given preference in order of seniority of the applicants. Such applicants will have preference over later applicants. Applicants will be advised in February of the dates allotted them and, unless otherwise locally agreed, employees must take their vacation at the time allotted.

In those offices where it has been the practice to circulate a vacation list in seniority order, the vacation list shall have priority over individual applications.

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

10.13 (a) An employee terminating his/her employment for any reason at a time when an unused period of vacation with pay stands to his/her credit shall be allowed vacation pay calculated to the date of his/her leaving the service, as provided for in Clauses 10.1, 10.2, 10.3, 10.4 and 10.5.)

(b) An employee who took annual vacation, who is subsequently laid off, resigns, or where the employment relationship is otherwise severed, may not have earned the annual vacation taken. This may also apply to employees who are on leave, off sick, etc.

In such circumstances, the Company will have the ability to reduce the employee's accrued annual vacation bank first to make up the difference. If a shortfall remains, the Company will make the appropriate deductions from outstanding wages as required and advise. If there are no outstanding wages, the employee will make up the difference.

10.14 An employee who is laid off shall be paid for any vacation due him/her at the beginning of the current calendar year and not previously taken and, if not subsequently recalled to service during such year, shall upon application, be allowed pay in lieu of any vacation due him/her at the beginning of the following calendar year.

10.15 A person who is dismissed for cause and not reinstated within two years of such dismissal or who leaves the service of his/her own accord shall, if subsequently returned to service, be required to qualify again for vacation with pay as provided for in Article 10.1.

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

10.17 An employee who, while on annual vacation, becomes ill or is injured shall have the right to terminate (temporarily) his/her vacation and be placed on weekly indemnity. An employee who is again fit for duty shall immediately so inform the Company officer in charge and will continue his/her vacation if within his/her scheduled dates. If the remaining vacation falls outside the employee's scheduled dates, such vacation will be rescheduled as may be locally agreed between the proper officer of the Company and the authorized Local Union Representative.

- 10.18 An employee who, due to sickness or injury, is unable to take or complete his/her annual vacation in that year shall, at the option of that employee, have the right to have such vacation carried to the following year.
- 10.19 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, s/he 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 his/her regular rate of wages for all work performed during the scheduled vacation period. The rescheduled vacation with pay to which s/he is entitled will be granted at a locally agreed upon later date. This Clause 10.19 does not apply where rescheduling is a result of an employee exercising his/her seniority to a position covered by another vacation schedule.

ARTICLE 11

INCOME SECURITY AND TECHNOLOGICAL, OPERATIONAL AND ORGANIZATIONAL CHANGE

- 11.1 The provisions of the Income Security Agreement effective January 02, 2006, to which the Company and the Union are signatories, shall apply to employees in positions covered by this agreement.

ARTICLE 12

EMPLOYEE BENEFIT PLAN

- 12.1 The Employee Benefit Plan shall be that Plan established by the Supplemental Agreement of March 20, 1975, as revised, amended or superseded, between certain Canadian Railways and The Associated Railway Unions representing non-operating employees, to which the Company and the Union are signatories.

ARTICLE 13

BEREAVEMENT LEAVE

- 13.1 (a) Upon the death of an employee's spouse*, child, step child, parent, brother, or sister, the employee shall be entitled to five days bereavement leave without loss of pay provided s/he has not less than three months cumulative compensated service. It is the intent of this article to provide for the granting of leave from work on the occasion of a death as aforesaid, and for the payment of his/her regular wages for that period to the employee to whom leave is granted.

10 and 12 Hour Shifts

- (b) Employee shall be entitled to five days leave and receive a maximum of 40 hours pay at his/her basic rate of pay.

- 13.2 (a) Upon the death of an employee's grandparent, spousal grandparent, grandchild, step-parent, step-brother, step-sister, father-in-law or mother-in-law, the employee shall be entitled to three days bereavement leave without loss of pay provided s/he has not less than three months cumulative compensated service. It is the intent of this article to provide for the granting of leave from work on the occasion of a death as aforesaid, and for the payment of his/her regular wages for that period to the employee to whom leave is granted.

10 and 12 Hour Shifts

- (b) Employee shall be entitled to three days leave and receive a maximum of 24 hours pay at his/her basic rate of pay.

Definition of Eligible Spouse

The person who is legally married to you and who is residing with or supported by you, provided that there is no legally married "spouse" that is eligible, it is the person that qualifies as a "spouse" under the definition of that word in Section 2(1) of the Canadian Human Rights Benefit Regulations, so long as such person who may be of the same or opposite sex was publicly represented by you as your "spouse" and cohabited with you in a conjugal relationship for:

- At least one (1) year if you and that person were free to marry: or
- At least three (3) years if either of you was not free to marry the other.

- 13.3 The employee shall be entitled to suspend annual vacation during the Bereavement Leave period.
- 13.4 Rest days are excluded in the calculation of the three days, or five days, as appropriate, consecutive working days leave. Statutory holidays are to be included in the calculation of the three days or five days consecutive working days leave. An employee who is on Annual Vacation leave at a time when bereavement leave would be granted under this Article, shall be entitled to terminate (temporarily) his/her vacation and be placed on bereavement leave. Upon completion of the bereavement leave, the employee will continue his/her vacation if within his/her scheduled dates. If the remaining vacation falls outside the employee's scheduled dates, such vacation will be rescheduled as may be locally agreed between the proper officer of the Company and the authorized Local Union representative.
- 13.5 Under no circumstances should wages exceeding three days, or five days, as appropriate, be paid for bereavement leave.

Examples of Application

- (a) An employee with assigned days of rest as Saturday and Sunday suffers the loss of a family member as listed in Article 13.2 (a) on a Thursday night.
- Employee would be paid bereavement leave for Friday, Monday and Tuesday.
- (b) Loss of a family member as listed in Clause 13.2 (a) occurs on a Tuesday, employee is granted bereavement leave on Wednesday, Thursday and Friday. The Friday happens to be a Statutory Holiday.
- Employee would be paid bereavement leave for Wednesday and Thursday. Payment for Friday would be for the statutory holiday (not bereavement leave).

ARTICLE 14

SENIORITY

- 14.1 On or before May 1 of each year, a seniority list showing employee number, name, seniority date, location, shall be posted at the work location. The date of entry into the Company's service will also be included if different than the seniority date. A copy of said list shall also be furnished to the President and Local Chairperson. The President shall also be advised with respect to the names of individuals removed from a seniority list since the previous posting.
- 14.2 The seniority list shall be open for correction for a period of sixty calendar days on presentation in writing of proof of error by the employee or his/her representative to the employee's immediate supervisor.
- 14.3 Except by mutual agreement, seniority standing shall not be changed after becoming established by being posted for sixty calendar days following date of issue without written protest. It is understood that an employee shall not lose seniority as a result of being removed from a seniority list improperly or through an administrative error or lose or gain seniority through an administrative error.
- 14.4 (a) A new employee shall not be regarded as permanently employed until he/she has completed 250 days cumulative compensated service (following the initial training period and based on an 8 hour day)and, if retained, shall then rank on seniority list from the date first employed. In the meantime, unless removed for cause, which in the opinion of the Company renders the employee undesirable for its service, s/he shall be regarded as coming within the terms of the agreement.
- (b) In circumstances where the Company hires students to provide for additional vacation allotment during peak vacation periods, students so hired will be subject to the following conditions:
- (i) Students shall not accumulate seniority or cumulative compensated service.
 - (ii) Students shall not be entitled to benefits, nor shall they become members of the pension plan.
 - (iii) Students shall be paid for all service performed at 85% of the job rate of the position assigned.
 - (iv) Students shall not have the ability to apply to bulletined positions and shall not be given preference for permanent

employment should their student status change and they apply for a position within the Company at a later date.

- (v) In order to be considered as a student, proof of registration in a recognized institution shall be required to be produced upon request.
- (vi) Students will be permitted to work during normal periods if there are no other available employees.

14.5 Promotion Outside Bargaining Unit

- (a) An employee who is temporarily promoted to an official or excepted position within the Communications Centre will have his/her name continued on the seniority list and will retain seniority rights and continue to accumulate seniority.
- (b) When released from such official or excepted position, the employee will revert back to the position held prior to the promotion.
- (c) The Company shall deduct on the payroll from the wages due and payable for each employee temporarily promoted, an amount equivalent to the full monthly dues of the Union subject to the conditions and exceptions set forth in the collective agreement.
- (d) Employee accepting a permanent promotion will be permanently removed from the seniority list.
- (e) An employee who is temporarily promoted to an official or excepted position with the railway will be governed by the following policy entitled: "Compensation and Benefits for Unionized Employees who Temporarily Assume Non-Unionized Positions" (currently CP Policy 8503)

14.6 Election or Appointment to Full Time Union Position

Employees elected or appointed to full time Union positions representing TC Local 1976 of the USWA represented employees covered by this Collective Agreement shall retain and accumulate seniority during the period spent occupying such elected or appointed full time Union position.

- (a) Vacancies resulting from full time duly elected or appointed Union Officers being granted leaves of absence of more than one year duration shall be posted as permanent.

- (b) When reverting to their CPR position s/he must revert to the seniority list and position from which the union leave was granted, unless such position has been abolished or is held by a senior employee. In such instance the employee may exercise his/her seniority to displace a junior employee on any other seniority list at the location
- 14.7
- (a) Except as provided in Article 14.11(b) below or otherwise mutually agreed, employees who, on account of reduction in forces, have performed no service for the Company for a period of 1 year shall be dropped from the seniority list and have their employment with the Company terminated.
 - (b) Employees laid off in excess of 1 year who are in receipt of Income Security benefits will not have their names removed from the seniority list while such benefits are payable. Upon exhaustion of Income Security benefits, their employment with the Company will be terminated unless otherwise mutually agreed.
- 14.8
- (a) When two or more employees are employed in the bargaining unit on the same day, their seniority standing will be determined in the following order:
 - (b) last date of entry into Company service; if the same,
 - (c) the local time at which they started work in the bargaining unit; if the same,
 - (d) date on which application for employment was made; if the same,
 - (e) by a drawing of names as arranged by the appropriate Company Officer and Local Representative.

ARTICLE 15

BULLETINING OF POSITIONS

- 15.1 (a) New positions, permanent positions, shall be promptly bulletined for a period of ten calendar days. The bulletining of positions may include, but will not be limited to, electronic bulletin postings.
- (b) Shorter periods of time for posting of bulletins and making appointments may be made by mutual agreement.
- 15.2 (a) Except as otherwise provided in Article 15.2(b), employees desiring such bulletined positions shall file their applications with the designated officer within that time and an appointment shall be made within five calendar days thereafter.
- (b) An employee absent on leave when a vacancy occurs shall not be barred from claiming a position and receiving the appointment, if entitled to it, providing that such claim is made within seven calendar days from date of return to work. Employees affected by an employee exercising their right under this clause will be permitted to claim any other position similarly bulletined during the leave period.
- (c) Prior to the closure of a bulletin, an employee may withdraw his/her application.
- 15.3 Bulletins shall show, title, rate of pay, hours of service, nature of duties, name of previous incumbent.
- 15.4 Copies of bulletins and names of applicants for new positions shall be furnished to the Local Union Representative.

ARTICLE 16

AWARDING POSITIONS

- 16.1 Awards shall be based on ability, merit and seniority; ability and merit being sufficient, seniority shall prevail. The officer of the Company in charge shall be the judge, subject to appeal, such appeal to be made in writing within 28 calendar days of the appointment.
- 16.2 Should the senior employee not be awarded the position, the Local Union Representative shall, upon written request, be furnished with the reasons therefore in writing.

ARTICLE 17

REDUCTION AND INCREASE IN STAFF

17.1 In reducing forces seniority shall govern.

17.2 Procedures

- (a) Within two working days of receiving Notice of Job Abolishment or displacement such employee shall notify the appropriate Company Officer and the designated member of the Union of the position to which s/he will exercise seniority and shall fill that position following the job abolishment or displacement procedures. An employee absent on leave when his/her position is abolished or s/he is displaced, shall exercise seniority upon expiry of leave.
- (b) An employee who fails to comply with said time limits, unless reason satisfactory to the appropriate Company Officer and the President is given for not doing so, shall not exercise seniority to displace any junior employee, but may be recalled to duty or may exercise seniority to a bulletined permanent or temporary vacancy. Such employee shall only have the right to exercise seniority to displace pursuant to this Clause after s/he again holds a permanent position and is unable to hold such position due to staff reduction.

17.3 Increase in Staff

When forces are increased, employees shall be returned to service in the order of their seniority, subject to qualifications. Employees who wish to avail themselves of the provisions of this Clause must ensure that the appropriate Company Officer of the original seniority group is kept informed of the address to which notification of vacancy should be sent.

17.4 Employees failing to report for duty, or give satisfactory reasons for not doing so, within seven calendar days from the date of notification shall be considered out of service, pending investigation.

ARTICLE 18

LEAVE OF ABSENCE

- 18.1 When the requirements of the service permit, employees, on request, will be granted leave of absence for periods of up to three months. Leave of absence of more than three months shall be subject to the approval of the President, except in cases of leave being granted for medical reasons in which cases the President will be informed but his approval not required.
- 18.2 Leave of absence shall not be granted for the purpose of engaging in work outside Company service, except in cases involving sickness or other exceptional circumstances, subject to mutual agreement.

Leave of Absence to Attend Meetings

- 18.3 Employees requesting leave of absence to attend their meetings will be granted leave provided that sufficient advance notice is given and the operational requirements permit.
- 18.4 Leave of absence shall not exceed two working days. It shall only be granted when it will not interfere with the requirements of the traffic and the service and provided that the Company is not thereby put to additional expense.
- 18.5 Article 18.4 shall not be construed to prevent the granting of a longer period of absence when required by individual employees to attend system or committee meetings.

ARTICLE 19

INVESTIGATION AND DISCIPLINE

- 19.1 No employee shall be disciplined or discharged until he has had a fair and impartial hearing and his responsibility is established. Except as otherwise provided in Article 19.4, an employee will not be held out of service in excess of ten working days, pending the holding of a hearing. Such hearing shall be held as soon as possible and where suspension is involved, not later than twenty-five working days from the date of suspension unless otherwise mutually agreed.
- (a) The President of the Union, or authorized designate, must be notified in writing if an employee is held out of service in excess of five working days (forty regular hours). Failure to notify the President will result in payment of all time held out in excess of forty hours.

It is understood that employees may be held out of service where:

- The nature of the offence is dismissible in and of itself, or;
- There are significant workplace safety concerns;
- The continued employment of the individual is in jeopardy

In cases where the incident has the potential to culminate in dismissal but where the culminating incident is not dismissible in and of itself, it is understood that wages will not be withheld from the employee while they are out of service.

- 19.2 An employee shall be given an advance notice of seven calendar days of such hearing and be advised in writing of the time, place and subject matter of such hearing. An employee may have a fellow employee or an accredited Union Representative present to assist him / her. The employee shall be furnished with a copy of his statement and copies of all evidence taken at the hearing and shall be present during examination of any witness whose testimony may have a bearing on his responsibility. He may offer rebuttal evidence thereto.
- 19.3 When suspension pending the holding of a hearing is involved, the employee will be given advice in writing within five calendar days of his suspension as to the reasons for such suspension.
- 19.4 A decision shall be rendered within twenty eight calendar days from the date of the hearing. Pending the rendering of such decision, the employee will be held out of service only where the circumstances are considered sufficiently serious to warrant such action. The employee will

be furnished with a copy of the decision in writing and a copy will be forwarded to the Local Association Representative at the same time, unless the employee specifically requests in writing that the representative not be advised of the decision.

- 19.5 If the employee considers the decision rendered is unjust, an appeal in writing may be made in accordance with the grievance procedures starting by an appeal to the officer who issued the discipline. Where suspension or dismissal is the discipline, the appeal may commence at Step II of the grievance procedure within 42 calendar days from the date that the employee is advised of the decision in writing.
- 19.6 If, in the final decision, the charges against an employee are not sustained, his record shall be cleared of the charges; if suspended or dismissed, he shall be returned to his former position and reimbursed for wages lost, less any earnings derived from outside employment during the period so compensated; if the investigation was away from home, he shall be reimbursed for reasonable travel expenses upon presenting receipts.
- 19.7 Any employee appearing before a disciplinary hearing shall be given the option of using the language (English or French) in which he can express him/herself/herself most fluently.
- 19.8 In the case of investigations related to Human Rights issues, and/or Harassment and Discrimination cases, given their sensitive nature, statements, evidence, or other documentation related to the case will only be provided, upon request, to the employee being investigated and/or the accredited representative present at the investigation(s).

19.8 Informal Hearing Process

- 19.8.1 Except in instances where an employee is alleged to have committed an offence where discipline could result in a "Severe Reprimand", "Suspension" or "Dismissal", allegations concerning breach of discipline or regulations may be handled without the necessity of a formal Disciplinary Hearing as set out above.
- 19.8.2 Under this process the written hearing notice submitted pursuant to Article 19 of the Collective Agreement will contain a statement indicating if the employee will be given the opportunity to have the matter dealt with through the Informal Hearing Process.

- 19.8.3 An employee wishing to avail him/herself to the Informal Hearing opportunity will be required to submit a completed "Form A - Formal Hearing Waiver", within 7 calendar days of receipt of the hearing notice.
- 19.8.4 Following receipt of the waiver form, the Hearing Officer will arrange for the Informal Hearing with the employee and, to the extent practicable, will hold the hearing during the employee's regular working hours
- 19.8.5 An employee may be assisted by an accredited representative of the Union, or a fellow employee at the hearing.
- 19.8.6 A written notice, "Form B - Summary of Informal Hearing Interview" will be furnished to the employee involved within 28 calendar days of the hearing and a copy will be forwarded to the Local Union Representative at the same time, unless the employee specifically requests in writing that the representative not be advised of the hearing disposition.
- 19.8.7 Discipline matters resolved under the Informal Hearing Process are not subject to appeal

ARTICLE 20

GRIEVANCE AND ARBITRATION

- 20.1 Disputes in respect to the meaning, interpretation or alleged violation of the terms of this agreement, or when an employee claims that s/he has been unjustly dealt with in respect thereof and s/he is unable to obtain satisfactory explanation, after having discussed the issue with the appropriate supervisor, may be dealt with in the following manner:

Step 1

The aggrieved employee or the Local Chairperson shall present the grievance in writing to the appropriate Head of the Department within 28 calendar days following the cause of the grievance. Such Head of Department will render a decision in writing within 28 calendar days following receipt of the written grievance. During that period of time, a meeting may take place between the grievor, the local representative and the Department Head (or representative) to discuss the grievance.

Step 2

If the grievance is not settled at Step 1, the President may appeal the decision in writing, giving the reasons for the appeal, to the highest officer designated by the Company to handle grievances, within 42 calendar days following receipt of the decision rendered in Step 1. Such officer will render a decision in writing, giving reasons for the decision, within 42 calendar days following receipt of the appeal.

Step 3

If the grievance is not settled at Step 2, it may then be referred by either party to the Canadian Railway Office of Arbitration for final and binding settlement without stoppage of work in accordance with the rules and procedures of that Office. The party requesting arbitration must notify the other party in writing within 42 calendar days following receipt of the decision in Step 2, or the due date of such decision if not received.

- 20.2 Disputes arising out of proposed changes in rates of pay, rules or working conditions, modifications in or additions to the terms of this agreement, are specifically excluded from the jurisdiction of the Canadian Railway Office of Arbitration.

- 20.3 When a grievance 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 within the prescribed time limits, the grievance may be progressed to the next step within the prescribed time limits based on the last date such decision was due, except as otherwise provided in Article 20.4.
- 20.4 When a 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.
- 20.5 The time limits specified herein may be extended by mutual agreement.
- 20.6 Settlement of a grievance shall not involve retroactive pay beyond 60 calendar days prior to the date that such grievance was first submitted in writing.
- 20.7 Grievances not docketed for arbitration within two years from the date of filing of the Step 1 grievance will be considered as dropped.
- 20.8 Prior to adjudication or final disposition of a grievance there shall be neither a shut-down by the Company nor a work stoppage by the employees.

ARTICLE 21

DEDUCTION OF UNION DUES

- 21.1 The Company shall deduct on the payroll for the pay period which contains the 24th day of the month from wages due and payable to each employee subject to the terms of this agreement an amount equivalent to the uniform, monthly dues of the Union, subject to the conditions and exceptions set forth in this Article.
- 21.2 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 this agreement except to conform with a change in the amount of regular dues of the Union in accordance with its constitutional provisions. The provisions of this Article shall be applicable on receipt by the Company of notice in writing from the Union of the amount of regular monthly dues.
- 21.3 Membership in the Union 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.
- 21.4 Union dues deductions for new employees shall commence on the first pay period which contains the 24th day of the month.
- 21.5 If the wages of an employee payable on the payroll for the pay period which contains the 24th day of the 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 him/her on the designated payroll, carry forward and deduct from any subsequent wages any dues not deducted in an earlier month.
- 21.6 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.

- 21.7 The amounts of dues so deducted from wages, accompanied by a statement of deductions from individuals, shall be remitted by the Company to the designated officer of the Union not later than forty calendar days following the pay period in which the deductions are made.

The remittance shall be sent to TC Local 1976 USW, 2360 De LaSalle Avenue, Suite 202, Montreal (Quebec) H1V 2L1.

- 21.8 The Company shall not be responsible financially or otherwise, either to the Union or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages, the 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 of the Union.
- 21.9 The question of what, if any, compensation shall be paid the Company by the Union in recognition of services performed under this Article shall be left in abeyance subject to reconsideration at the request of either party on fifteen days notice in writing.
- 21.10 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to this Article, both parties shall co-operate 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.
- 21.11 Union dues may be deducted on a bi-weekly basis upon mutual agreement between the parties.

ARTICLE 22

ATTENDING COURT, JURY DUTY, LEGAL REPRESENTATION

- 22.1 Employees required by the Company to attend court or other public investigation shall be paid schedule rates for time lost and shall be reimbursed actual reasonable expenses when away from home. In such cases the witness fees shall go to the Company.
- 22.2 An employee who is summoned for jury duty and is required to lose time from his/her assignment as a result thereof, shall be paid for actual time lost with a maximum of one basic day's pay at the straight-time rate of his/her position for each day lost, less the amount allowed him/her 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 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 his/her vacation dates will not be required to change his/her vacation because s/he is called for jury duty.
 - (d) Notwithstanding the provisions contained in the last sentence of paragraph (c) above an employee's annual vacation will, if the employee so requests, be rescheduled if it falls during a period of jury duty.
- 22.3 In the event an employee is the subject of civil or criminal investigation, not contemplated under Article 22 of the Collective Agreement, solely as a result of an incident arising in the performance of his/her duty, the following will apply:

22.3.1 Should the employee select Counsel representation from the jointly established, pre-approved list, the Company will make the necessary arrangements.

22.3.2 Should the employee select Counsel representation that is not named on the jointly established, pre-approved list, the employee will make the necessary arrangements and the Company will cover associated expenses to the maximum jointly established fee schedule.

ARTICLE 23

LIFE INSURANCE UPON RETIREMENT

- 23.1 Effective January 1, 2006 an employee who retires from the service of the Company subsequent to January 1, 2006, will, provided s\he has not less than ten years cumulative compensated service, be entitled, upon retirement, to a \$7,000 life insurance policy, fully paid up by the Company.

ARTICLE 24

PRINTING OF AGREEMENT

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

ARTICLE 25

DENTAL PLAN AND EXTENDED HEALTH AND VISION CARE PLAN

- 25.1 The Dental Plan, shall be that plan which is established pursuant to Article VII of the Master Agreement dated April 26, 1979, as revised, amended or superseded, between certain Canadian Railways and their non-operating employees represented by the Associated Non-Operating Railway Unions, to which the Company and the Union are signatories.
- 25.2 The Extended Health and Vision Care Plan shall be that plan established by the Extended Health and Vision Care Plan Agreement dated December 10, 1985, as revised, amended or superseded by any Agreement to which the parties to this collective agreement are signatories.

ARTICLE 26

PERSONAL FILES

- 26.1 Employees may inspect and/or receive copies of their personal files in accordance with the terms and conditions outlined in Canadian Pacific Railway's Policy concerning Privacy of Information. A copy of this policy is available upon request from the immediate Supervisor.
- 26.2 Upon a formal request in writing from the Union, the Company will provide one designated Representative from the Union with a list of employees governed by this Collective Agreement, which shall include the employee's home address and telephone number. This information shall be provided once per year, for the purpose of conducting Union business, unless circumstances warrant otherwise.

ARTICLE 27

INJURED ON DUTY

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

ARTICLE 28

TRANSFER OF WORK

- 28.1 If due to an unusual development it becomes necessary to transfer work to another location not more than a sufficient number of employees to perform such work shall, in seniority order be given the opportunity to transfer, carrying their seniority rights with them. The proper officer of the Railway and the President shall co-operate to determine the number of employees who shall transfer.
- 28.2 Employees who change locations under this provision shall after 90 calendar days lose their seniority in the seniority group they left.

ARTICLE 29

METHOD OF PAYMENT

- 29.1 Direct deposit will be mandatory.
- 29.2 Where an employee is short-paid more than four hours, a special payment by direct deposit will be made to cover the shortage upon request.

ARTICLE 30

TRAINING

- 30.1 Employees directed to attend a required training program will be compensated 8 hours at the basic rate of pay for each day spent in training.
- 30.2 An employee attending a training program consisting of 5, 8 hour training sessions (40 hours) in a calendar week, who would otherwise have been scheduled to perform service on 4, 12 hour tours of duty (48 hours) in such calendar week, shall not lose the compensation (difference of 8 hours) that they would otherwise be entitled to receive.
- 30.3 Employees directed to attend a required training program at away from home locations will be paid reasonable expenses incurred for lodging, meals and transportation in accordance with departmental policy. Where possible, employees shall not be required to share lodging facilities, however, it is recognized that lodging facilities at some training programs require the sharing of facilities.
- 30.4 Employees directed to attend a required training program at away from home locations shall not be entitled to compensation for time spent in travelling to and from such training location.
- 30.5 **Counselling Sessions**

Employees may be subjected to a Counselling Session, conducted by their immediate Supervisor, or the designated Company Manager. Counselling Sessions are an educational tool aimed at improving work performance and/or attendance and are not a disciplinary handling. A record of the Counselling Session will be placed on the employee's file and a copy of same given to the employee.

This record on file does not constitute discipline but does establish that the incident and a Counselling Session took place. The fact that the incident occurred and a Counselling session was completed may be referenced by the Company in the future and may be used in determining if/when a formal hearing is required and in determining the appropriate disciplinary response, should repeat offences occur within one year of the Counselling Session.

The existence of the Counselling Session record on the employee's file shall not be used at Arbitration by either party if repeat offences do not take place within one year.

ARTICLE 31

HUMAN RIGHTS

31.1 Statement of Purpose

The Company and the Union agree that there shall be no discrimination, interference, restriction or coercion permitted in the workplace with respect to race, nation or ethnic origin, color, religion, age, sex, marital status, family status, sexual orientation, disability or conviction for which a pardon has been granted.

31.2 Definition of Harassment

Harassment is any conduct that offends or humiliates whether or not it is based on any of the grounds listed in 31.01. Harassment will be considered to have taken place if it reasonably ought to have been known that the behavior was unwelcome or inappropriate in the workplace.

31.3 Harassment

Harassment may take many forms, including: threats, intimidation, verbal abuse, unwelcome remarks, innuendo, offensive and inappropriate material, hate literature, offensive jokes.

31.4 Sexual Harassment

Sexual harassment is any unsolicited and unwelcome conduct, comment, gesture or contact of a sexual nature that is likely to cause offence or humiliation or might be perceived as placing a condition of a sexual nature on conditions of employment, including any opportunity for training or promotion.

31.5 Sexual harassment may include but is not limited to: suggestive remarks, jokes, innuendos or taunting in a sexual context; unwarranted touching; leering; compromising invitations; displaying of pornographic or other offensive or derogatory pictures or material of a sexual nature; sexually degrading words used to describe a person or a group; derogatory or degrading words regarding gender or sexual orientation, or directed towards members of one sex or one's sexual orientation; sexual assault.

31.6 **Discrimination & Harassment Policy**

The Company and the Union recognize that harassment or sexual harassment is unacceptable behavior and will not be tolerated in the workplace. The Company has a Discrimination and Harassment Policy, which covers discrimination and harassment based on illegal grounds. Employees with questions may contact the Director, Employee Relations. Collect calls will be accepted.

31.7 **Handling of Complaints**

Discrimination or harassment complaints may be handled in several ways:

- Union handling;
 - Company handling through Collective Agreement investigation;
- or
- Company handling through other resolution mechanisms.

ARTICLE 32

DURATION

32.1 This agreement shall remain in effect until December 31, 2022 and thereafter; subject to 120 days advance notice in writing from either party to the other of desire to revise, amend or terminate it. Such notice may be served at any time after May 1, 2022.

Signed at Calgary, Alberta, Canada, November 15, 2017

FOR THE COMPANY:

FOR THE UNION:

(Signed) Myron Becker
Assistant Vice President
Labour Relations

(Signed) S. Hadden
President
TC Local 1976, USW

Dave Guerin
Senior Director,
Labour Relations

Nancy Lapointe
Vice President, District 5
TC Local 1976, USW

Brianne Sly
Assistant Director
Labour Relations

Nathalie Lapointe
Staff Representative
USW

APPENDIX A-1

Letter of Understanding dated November 7, 2005 concerning the right to request medical certificates as proof that an illness was legitimate

Calgary, November 7 , 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

This refers to our discussions during the current contract negotiations dealing with the Company practice of demanding a medical certificate from the employee attesting to the bona fides of the illness as proof that the illness was legitimate when the employee is absent account illness for a short duration.

While it was agreed between the parties that the Company has the right to require such a medical certificate, the parties also agree that this should not be considered as an automatic requirement. While good reason exists, for example, to require a medical certificate in cases of doubt about the legitimacy of an employee's illness, conversely, no good reason exists to require a medical certificate in cases where there is no reason to doubt the legitimacy of an employee's illness.

Accordingly, it is important that good judgment be used in order that the Company exercises its right in a reasonable manner.

Yours truly,

(signed) E.J. Maclsaac
Manager, Labour Relations

APPENDIX A-2

Letter of Understanding concerning special arrangements for a physically disabled employee

Calgary, November 7 , 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

This has reference to discussions during current contract negotiations with respect to the railways' proposal regarding the desirability of undertaking special arrangements for an employee who becomes physically disabled during the course of his employment and is unable to perform the regular duties of his assigned position and is unable to exercise his seniority on a position which he is capable of performing.

This letter will confirm our understanding that, in such circumstances, the proper officer of the Company and the General Chairman of the Union will meet to see if arrangements can be made to provide employment to the employee concerned within the bargaining unit. The parties may by mutual agreement place a disabled employee on a position that his qualifications and ability allow him/her to perform, notwithstanding that it may be necessary to displace an able-bodied employee in the bargaining unit so as to provide suitable employment. The permanently assigned employee so displaced will be allowed to exercise seniority onto a position within the bargaining unit that he is qualified for and has the ability to perform.

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

Should the disabled employee subsequently recuperate, he shall be subject to displacement, in which case such employee will exercise seniority rights. When a senior able-bodied employee believes that the provisions of this letter will result in undue hardship, the General Chairman may discuss the circumstances with the Company.

The above understanding is to provide guidelines for assisting disabled employees to continue to be employed.

If you are in accord with the above, would you please so indicate below.

Yours truly,

I Concur

(Sgd.) S.J. Samosinski
Director, Labour Relations

N. Lapointe
President

APPENDIX A-3

Letter dated November 7, 2005 concerning leave of absence to attend to family matters

Calgary, November 7 , 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

During our recent discussions concerning the establishment of the Communications Centre in Montreal the Company and the Union discussed employees concerns regarding parental responsibilities.

Where the Company grants leave for employees to attend to emergent family matters, on a local basis, the Company and the Union may agree to local arrangements whereby the employee may make up lost pay. Such arrangements may include but are not limited to, make up days, use of bank time, or utilization of an employee's AV entitlement.

Yours truly,

(Sgd.) E.J. MacIsaac

Manager, Labour Relations

APPENDIX A-4

**Letter of Understanding dated February 24, 2017, concerning
LTD Plan is renewed**

LETTER OF UNDERSTANDING

BETWEEN:

**CANADIAN PACIFIC RAILWAY
ST. LAWRENCE & HUDSON RAILWAY**

(the “Company”)

**UNITED STEELWORKERS OF AMERICA, TRANSPORTATION
COMMUNICATIONS AMALGAMATED LOCAL 1976**

(the “Union”)

- (1) The parties agree that this Letter of Understanding shall form a part of the current collective agreement between the parties.
- (2) This Letter of Understanding eliminates the application of the disability pension provision in the Canadian Pacific Railway Company Pension Plan (the “Plan”) for Union Members and replaces it with continued accrual of Pensionable Service while a Member is disabled. Union Employee Plan contributions are reduced by the estimated Company savings to the Plan. Concurrently, a long-term disability plan for Union Employees is being implemented outside of the Plan, which will be established by the Union and paid for by the employees.
- (3) Specifically, changes to the Plan with effect from January 1, 2001 for Members who are represented by the Union are as follows:

Members who have at least 10 years of Pensionable Service and who suffer from physical or mental impairment, as described under the Plan provisions, may no longer be retired at a Disability Retirement Date at the discretion of the Committee.

Members who become disabled will continue to accumulate Pensionable Service under the Plan until the earlier of:

1. the date they cease to qualify as disabled; and
2. the Normal Retirement Date.

A Member shall be deemed to be disabled if the Member suffers from a physical or mental impairment, as certified in writing by a qualified medical doctor licensed to practice in Canada, which meets the qualification criteria for receipt of benefits under the Union's long-term disability plan.

Earnings during such period for pension and Employee contributions purposes will be deemed to be those the Member would have received if not disabled.

The contribution formula percentage of 6.75% of Pensionable Earnings up to the Year's

- 1) Maximum Pensionable Earnings is decreased to 5.67% and the percentage of 8.33% of
- 2) Pensionable Earnings above the Year's Maximum Pensionable Earnings is decreased to 37.25%.

For Members who began, prior to March 1, 1999, their participation in a retirement bridging program offered by the Company and who have elected in 1999 to retain the former pension and contribution percentages, the contribution formula percentage of 4.40% of Pensionable Earnings up to the Year's Maximum Pensionable Earnings is decreased to 3.32% and the percentage of 5.98% of Pensionable Earnings above the Year's Maximum Pensionable Earnings is decreased to 4.90%.

The revised contribution formulae described above also apply for the current buyback provisions.

- (4) The Company agrees to deduct from the wages of each employee (excluding students, and employees who are at least 55 years of age and have 85 points pursuant to the Canadian Pacific Railway Pension Plan) and remit to the TC Local 1976 USWA Long Term Disability Trust Fund (the "LTD Trust Fund") an amount specified by the Union of pensionable earnings (the "Contributions") which amount includes salary or wages paid to each employee, including overtime and deemed earnings (earnings credited for absences which are pensionable, i.e. disability, sickness, parental or maternity leave, leaves for union business... when not receiving actual earnings). The Company shall not be liable for any deduction if an employee is not in receipt of wages. The Company will first deduct any payments required by law, money owing to the Company and Pension Contributions prior to deduction of the Contributions.
- (5) The above Contributions will be remitted to the LTD Trust Fund by the Company forwarding the Contributions to the Administrator of the LTD Trust Fund within 10 days after each pay day; together with the names of

the employees for whom the Contributions are remitted and any other employee data reasonably required by the Administrator of the LTD Trust Fund. Currently the employee data required is that found on Appendix 1 attached hereto and this information will be provided with respect to each employee for each pay period.

- (6) The Contributions are to commence based upon all pensionable earnings from on and after January 1, 2001 and are to continue for the term of the collective agreement and thereafter until renewed. Employee contributions based upon all pensionable earnings or deemed pensionable earnings are mandatory.
- (7) The benefits to be provided under the LTD Trust Fund are to be determined by the Board of Trustees under the LTD Trust Fund and the Trustees have the sole and exclusive right to amend, alter, cancel or terminate any benefits as in their discretion they deem advisable.

Dated at Calgary 02/24/2017

For the Company

Myron Becker

For the Union

Steven Hadden

APPENDIX A-5

Letter dated November 7, 2005, concerning the establishment of a Conflict Resolution Process

Montreal, November 7, 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

During negotiations, the Union and the Company agreed to the establishment of a Conflict Resolution process that could be applied, subject to local agreement, prior to or during the grievance procedure to achieve one or more of the following objectives:

Substantive Objectives ...describes <u>what</u> the conflict resolution process should accomplish.	Procedural Objectives ...describes <u>how</u> the conflict resolution process will operate.
<ul style="list-style-type: none"> ▪ earlier resolution of disputes ▪ faster resolution of disputes ▪ a simplified process permitting greater creativity in solution finding ▪ reduced costs for the parties ▪ promote learning and dispute prevention ▪ enhance privacy & confidentiality, builds valued relationships ▪ reduced formal grievances 	<ul style="list-style-type: none"> ▪ using interest-based approach and techniques ▪ managing conflict towards resolution not adjudication, where appropriate ▪ recognizing and addressing power imbalances ▪ providing collaborative based training support ▪ dealing with disputes in a more sensitive or humane manner ▪ respecting differences

Ultimately, the success of the conflict resolution process will be measured against these objectives and guiding principles.

Conflict Resolution Process

Scope

Subject to local agreement at the local level, prior to the submission of a Step 2 grievance, the local Union Representative and the local Company Manager may jointly participate in a meeting to establish facts and generate solutions to the dispute.

The Conflict Resolution process is to be used in cases of alleged violations of the Collective Agreement or Income Security Agreement and /or compensation claims. It will not be used in cases of discipline or dismissal.

The parties agree that solutions, which are jointly generated and implemented at the local level, are achieved without prejudice or precedent and will not be relied upon by either party for adjudication or arbitration processes.

Time Limits

Should the parties locally agree to participate in the Conflict Resolution process, in order to provide sufficient opportunity to determine facts and generate solutions, the time limits outlined in Article 20.1, at Step 1 of the grievance procedure, may be extended as jointly agreed upon at the local level.

Joint Fact Finding

The parties recognize the importance of sharing information and jointly identifying the relevant facts surrounding the issue in conflict. To assist the participants in the conflict resolution process, the local Union Representative and the local Company Manager will jointly complete the "Fact Finding Form", review and attach all supporting documentation and both affix their signatures to it once completed. This document shall serve as the agreed upon basis for the participants to focus their efforts on generating solutions for issues that are locally agreed to be in conflict.

The Joint Checklist and Fact-Finding Form will contain as much information about the grievance as possible, but these Forms will not prohibit the introduction of other pertinent facts at a later time, should those facts have a bearing on the grievance.

Should the Conflict Resolution process not eliminate the dispute, the Fact-Finding Form and all supporting documentation will accompany the written submission of the grievance from the Local Union Representative.

(Copies of these Forms are attached to this letter of Understanding, as Appendix "A").

Generating Solutions/Interest Based Approach

The parties support the principles of the interest-based approach;

- process counts
- focus on the problem, not the personalities or emotions involved
- focus on interests, not positions, as identified on the jointly created Fact Finding Form.
 - reflects the parties concerns about an issue
 - promotes the sharing of information
 - enhances mutual understanding
 - promotes creation and evaluation of options
 - avoids starting the process with a disagreement
 - identify issues that are:
 - mutual interests
 - non-conflicting interests
 - conflicting interests
- Jointly create options to satisfy interests
 - increases flexibility in the search for solutions
 - develops better solutions flowing from a joint effort
 - provides participants with ownership of the process
 - increases commitment with the final outcome
- Jointly discuss and evaluate the options
 - use the three cut methodology:
 - does the option satisfy the parties' interests?
 - are the resources available to implement the solution?
 - can the stakeholders support the solution?
- Postpone commitment where necessary

Training

The parties recognize the success of the Conflict Resolution process at the local level will greatly depend upon training support in the interest-based approach to problem solving. In this regard, the parties agree to incorporate a jointly developed Conflict Resolution training module, which will include an interested-based training component, into the existing joint Investigation Training Workshop.

Yours truly,

(Sgd.) S.J. Samosinski
Director, Labour Relations

I Concur (Sgd.) Nathalie Lapointe
President, TC Local 1976, USW

Appendix "A"
Conflict Resolution Process

TC LOCAL 1976 OF THE UNITED STEELWORKERS
and
CANADIAN PACIFIC
JOINT CHECKLIST

HAS THIS INFORMATION BEEN COVERED AND ENTERED ON THE JOINT FACT FINDING FORM?

Discipline
1. Offence, Infraction, violation incident or occurrence
2. Date & Time of violation
3. Time Limits
4. Investigating Officer
5. Grievor identification <ul style="list-style-type: none">- position- seniority
6. Witnesses
7. Evidence, diagrams, etc.

Collective Agreement Issue (wage claim)
1. Collective Agreement Article(s) and item(s)
2. Date & Time of alleged violation
3. Time Limits
4. Local Supervisor
5. Grievor identification <ul style="list-style-type: none">- position- seniority
6. Other Employee(s) Identification <ul style="list-style-type: none">- position- seniority
7. Description of alleged violation
8. Wage Claim Data <ul style="list-style-type: none">- shift, position- employee worked- overtime (if applicable)
9. Description of requested remedy

Collective Agreement Issue (non-wage claim)
1. Collective Agreement Article(s) and item(s)
2. Date & Time of alleged violation
3. Time Limits
4. Local Supervisor
5. Grievor identification <ul style="list-style-type: none">- position- seniority
6. Other Employee(s) Identification <ul style="list-style-type: none">- position- seniority
7. Description of alleged violation
8. Description of requested remedy

Collective Agreement Issue (Annual Vacation)
1. Collective Agreement Article(s) and item(s)
2. Date & Time of requested A.V.
3. Seniority of Applicant
4. Local Supervisor
5. Number of employees in work group
6. Number of A.V. slots
7. Reason(s) for declination.
8. Reason(s) for request

**TC LOCAL 1976 OF THE UNITED STEELWORKERS
AND
CANADIAN PACIFIC
JOINT FACT-FINDING FORM**

This form is to be used in the jointly established Conflict Resolution Process and will be appended to the formal advancement and submission of a grievance, should the Conflict Resolution process fail to resolve the dispute.

Who is involved in this Grievance or Complaint?

Who is the person making the complaint or grievance?

Name: _____
Contact Number: _____
Work Location: _____
City & Province: _____ Postal Code: _____
Employee number: _____ Seniority number: _____
Date of entry into Service: _____
Position held at time of complaint or grievance: _____

Who is the Local manager involved?

Name: _____
Contact Number: _____
Work Location: _____
City & Province: _____ Postal Code: _____
Employee number: _____ Seniority number: _____
Date of entry into Service: _____

Who are the witnesses or other persons involved?

Name: _____
Work Location: _____
City & Province: _____ Postal Code: _____
Employee number: _____ Seniority number: _____
Position held at time of complaint or grievance: _____

Name: _____
Work Location: _____
City & Province: _____ Postal Code: _____
Employee number: _____ Seniority number: _____
Position held at time of complaint or grievance: _____

What happened? What is the grievance or complaint about? (Make sure to include all points mentioned on the joint checklist for each type of grievance and include all supporting documentation)

When did the grievance or complaint occur? (Date and time grievance/complaint began?
How often? For how long? Is it within time limits to proceed with the grievance or complaint?)

Where did the grievance or complaint occur? (Exact location – department, desk location, yard area; include diagram, sketch or photo if helpful)

Why is this a grievance or complaint? (Violation of Collective Agreement, Special Agreement, law, past practice, safety regulations, disciplinary matter, etc.?...specify Article(s) and Item(s))

Requested Remedy (Solutions and/or adjustments to completely settle situation)

Conflict Resolution Outcome (Solutions and/or adjustments agreed to fully resolve the grievance/complaint, OR, remaining outstanding issues)

Participants Proposed Next Steps (Agreed upon further action to bring closure or progress grievance/complaint)

Signature of Local Union Representative: _____

Signature of Local Manager: _____

Date: _____

Note: Copies of all documentary evidence such as original time claims, declination notices, letters, memos, etc. that may have a bearing on this grievance or complaint must be attached to this form before the form is appended to the advancement of a formal grievance, should the Conflict Resolution process fail.

The Local Union Representative and the local Company Manager should retain a copy of this form and all relevant attachments

APPENDIX A-6

Letter dated November 7, 2005, concerning Joint Release of Information - Waiver Form

Calgary, November 7, 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

This is in regards to our discussions during negotiations concerning the joint release of information to assist in the Conflict Resolution Process and the Grievance Procedure.

This shall confirm that the parties agree to the joint release of information and will adopt the use, when practicable, of the appended Waiver form.

Yours truly,

(Sgd.) E.J. Maclsaac
Manager, Labour Relations

Release of Information

Joint Waiver Form

Date:

To: Whom it may concern

I, (name of employee) authorize the President of Local 1976 of the United Steelworkers or any other person authorized by Local 1976 of the United Steelworkers to receive or exchange relevant personal information needed about me which may include, but is not limited to, medical practitioner reports, therapist reports, or treatment institutions, required for the Conflict Resolution Process and/or Grievance Procedure.

I understand that the information obtained may be used in the Conflict Resolution Process and/or Grievance Procedure and may be shared with the Company.

A photocopy of this authorization is as valid as the original.

(signature of employee)

(date)

This letter may also include the provision of information previously provided to the Union.

APPENDIX A-7

Letter dated November 7, 2005, concerning the cost of securing Medical Reports

Calgary, November 7, 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

This is in regards to our discussions during negotiations concerning the costs associated with securing medical reports.

In recognition of the fact that the Company requires such reports, the cost of all medical examinations, tests or reports required by the Company and/or the Company's insurance carrier shall be paid by the Company when such examinations, tests or reports are not paid for under a provincial health plan.

Yours truly,

(Sgd.) E.J. Maclsaac
Manager, Labour Relations

APPENDIX A-8

Letter dated November 7, 2005, concerning Safety and Health Terms of Reference

Calgary, November 7 , 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

This is in regards to our discussions during negotiations pertaining to the Union's concerns regarding the absence of Safety and Health language in the Collective Agreement.

Preamble:

The following information provides guidelines concerning the issue of Safety and Health, but does not form part of the Collective Agreement, is not binding on the Company and is not subject to the grievance and arbitration process.

Terms of Reference

Committee Name: CPR/TC Local 1976 USW Health and Safety Policy Committee

Constituency: The CPR/TC Local 1976 USW Health and Safety Policy Committee represent the interests of CPR employees.

1. Functions of the Committee:

The CPR/TC Local 1976 USW Policy Committee is the principal forum for joint labour/management consultation on, and the development of solution to, health and safety problems in the workplace. The committee is responsible for but not limited to the following activities:

- Participating in the development of health and safety policies and programs;

- Considering and expeditiously disposing of matters concerning health and safety raised by members of this committee or referred to it by a workplace health and safety committee or a representative;
- Monitoring data on work accidents, injuries and health hazards;
- Participating in the development and monitoring of a program for the prevention of hazards in the workplace that also provide for the education of employees in health and safety matters;
- Participating, to the extent that it considers necessary, in inquiries, investigations, studies and inspections pertaining to occupational health and safety;
- Participating in the development and monitoring of a program for the provision of personal protective equipment, clothing, devices or materials;
- Cooperating with health and safety officers; and
- Participating in the planning of the implementation and in the implementation of changes that might affect occupational health and safety, including work processes and procedures.

2. Duties of Committee Members: Committee members will:

- 1) Meet and comply with terms and conditions set out in this document
- 2) Actively participate in all duties and functions of the committee and ensure an alternate required to attend has been informed and is prepared.
- 3) Make every effort possible to complete assigned action items by the agreed upon date.
- 4) Review the Terms of Reference annually and signed by co-chairpersons.

3. Records:

The Committee shall ensure that accurate records are kept of all matters that come before it and that minutes are kept of its meetings. The committee shall make the minutes and records available to a health and safety officer at the officer's request.

The co-chairs will mutually agree on administrative support for each meeting, looking for local representation to keep costs at a minimum.

4. Meetings:

- The Policy Committee shall meet during regular working hours at least quarterly and, if other meetings are required as a result of an emergency or other special circumstance, the committee shall meet as required during regular working hours or outside those hours.
- All matters will be handled or disposed of by (100%) consensus.
- The co-chairpersons, if required, may call special meetings
- A quorum shall consist of a minimum of 50% of each of management and employee I representatives.

5. Agenda's and Minutes

- New business items shall be submitted to the co-chairs three (3) weeks prior to the Policy Committee meeting date.
- An agenda will be prepared jointly by the co-chairs or designate person(s) and distributed to members two (2) weeks prior to the meeting.
- Minutes will be prepared within two (2) weeks of the meeting date and will be reviewed and signed by the co-chairpersons prior to distribution.
- Policy Committee minutes shall be distributed to workplace health and safety committees for their information and posting for employees.

6. Composition of Committee:

Alan Parry, General Manager, Intermodal Operations, Employer Co-Chairperson
Ian MacKay, General Manager, Customer Service Team
Malcolm Campbell, General Manager, Accounting
Nathalie Lapointe, President, TC Local 1976, USW
Richard Page, Staff Representative, USW
Richard Summerside - Chief Steward, TC Local 1976, USW Union Co-Chairperson

Support Person:

Garry Naylor, Director, Safety and Program Development

The term of office for committee members will not exceed two (2) years. Committee members may be reappointed following their term of office.

The employer and employee representatives on this committee may select alternate members to serve as replacements when they are unable to perform their functions.

7. Committee Officers:

Co-Chairpersons: The Committee shall have two Chairpersons selected from among committee members; one representing management and the other representing non-management. The employee members will select one of the chairpersons and the employer members will select the other. The Chairpersons will alternate every meeting. In the event only one chairperson is present at the meeting, he or she will chair the meeting.

The responsibility of the co-chairperson is to conduct the meeting in an orderly manner and have full knowledge of the agenda. The chairperson must ensure that the agenda is prepared and distributed prior to the meeting.

The Chairpersons must be impartial, he/she must keep the discussion to the point yet encourage full participation.

The Chairpersons should ensure prompt follow-up of items pertaining to the committee through contact with those with the authority to implement the decisions/recommendations.

The term of the Chairpersons will be re-evaluated at the first Policy Committee meeting each year.

8. Sub-Committees:

The Committee has the right to establish or appoint sub--committees (as defined by CLC Part II) to work through specific program or policy development on an as needed basis. The respective committee members will select sub-committee members.

Note: No person serving as a Committee member or sub-committee member is personally liable for anything done or omitted to be done by the person in good faith under the authority or purported authority of Part II of the Canada Labour Code.

9. Guests:

Any member may invite additional person(s) to attend the meeting to provide additional information and comment, but they shall not participate in the regular business of the meeting.

The co-chairpersons must be notified no later than two (2) weeks prior to the meeting of any such invited guests.

10. Other:

Any amendments, deletions or additions to these Terms of Reference or the roles and responsibilities of the Committee and its members shall have the consensus of the total Committee and shall be set out in writing and attached as an Appendix to these Terms of Reference.

Alan Parry,
Employer Co-Chairperson

Richard Summerside,
Union Co-Chairperson

Signed at Toronto, October 6, 2005

APPENDIX A-9

Letter dated November 7, 2005, concerning employee paid days off

Calgary, November 7, 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

This is in regards to our discussions during negotiations regarding the Union's request to have employees provided with ability to have 5 employee paid days off per year with pay. Specifically, the Union raised a concern for offices that did not work overtime and therefore employees could not bank time.

Although the Company was unable to agree to the Union's request as presented, the Company did agree that employees could direct the financial equivalent or five days wages, at straight time, from their annual incentive compensation (Gain Share) pay-out, in pre-tax dollars, into an employee's existing overtime bank, that can be used, subject to Management approval, for paid days-off. As is the case of banked overtime, requests for time off may be denied subject to operational requirements and replacement employee availability.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below.

Yours truly,

(Sgd.) S.J. Samosinski
Director, Labour Relations

I Concur: (Sgd.) Nathalie Lapointe
President, TC Local 1976, USW

APPENDIX A-10

Extract from Canada Labour Standards Regarding hours of work

Hours of Work

Sec. 6.

- (1) Where the nature of the work in an industrial establishment necessitates that the hours of work of certain employees be irregularly distributed with the result that the employees
 - (a) have no regularly scheduled daily or weekly hours of work, or
 - (b) have regularly scheduled hours that vary in number from time to time,the hours of work of each of those employees in a day and in a week may be calculated as an average for a period of two or more consecutive weeks.
- (2) The averaging period referred to in subsection (1) may be changed in accordance with these Regulations, but shall not exceed the number of weeks necessary to cover the period in which fluctuations in the hours of work of the employees take place.
- (3) Before averaging hours of work under subsection (1) or changing the number of weeks in the averaging period, the employer shall, at least 30 days before the date on which the averaging takes effect,
 - a) post a notice of intention to average hours of work or change the number of weeks in the averaging period, containing the information set out in Schedule IV; and
 - b) provide a copy of the notice to the regional director and every trade union representing any affected employees who are subject to a collective agreement
- (4) Where averaging of hours of work is in effect, the employer shall post a notice containing the information set out in Schedule IV.
- (5) Where the parties to a collective agreement have agreed in writing to average the hours of work of employees or to change the averaging period and the written agreement is dated and contains the information set out in Schedule IV, the employer need not satisfy the requirements of subsections (3) and (4).
- (6) Where the hours of work of employees are calculated as an average pursuant

to subsection (1),

- (a) the standard hours of work of an employee shall be 40 times the number of weeks in the averaging period;
 - (b) the maximum hours of work of an employee shall not exceed 48 times the number of weeks in the averaging period; and
 - (c) the overtime rate established pursuant to section 174 of the Act shall be paid for all hours worked in excess of the standard hours of work referred to in paragraph (a), excluding those hours for which a rate of at least one and one-half times the regular rate of wages has been paid prior to the end of the averaging period.
- (7) Subject to subsection (8), the standard hours of work and the maximum hours of work calculated in accordance with subsection (6) shall be reduced by eight hours for every day during the averaging period that, for an employee, is a day
- (a) of bereavement leave with pay;
 - (b) of annual vacation with pay;
 - (c) of leave of absence with pay under subsection 205(2) of the Act;
 - (a) of general or other holiday with pay; or
 - (b) that is normally a working day in respect of which the employee is not entitled to regular wages
- (8) The standard hours of work and the maximum hours of work calculated in accordance with subsection (6) shall not be reduced by more than 40 hours for any week that, for an employee, is a week
- 1 of annual vacation with pay;
 - 2 of leave of absence with pay under subsection 205(2) of the Act; or
 - 3 that is normally a working week in respect of which the employee is not entitled to regular wages.
- (9) The standard hours of work and the maximum hours of work calculated in accordance with subsection (6) shall be reduced by 40 hours for every period of seven consecutive days, in the averaging period, during which an employee is not entitled to regular wages.
- (10) Where an employee whose hours of work are averaged pursuant to subsection (1) terminates the employee's employment during the averaging period, the employer shall pay the employee's regular rate of wages for the actual hours worked during the completed part of the averaging period.
- (11) Where, during the averaging period, an employer lays off or terminates the

employment of an employee whose hours of work are averaged pursuant to subsection (1), the employer shall pay the employee at the overtime rate of wages established under section 174 of the Act for any hours worked, but not previously paid, in excess of 40 times the number of weeks in the completed part of the averaging period.

- (12) An employer who has adopted an averaging period under subsection (1) shall not alter the number of weeks in the averaging period or cease to calculate the average hours of work of employees unless the employer has, at least 30 days before making either change,
- (a) posted a notice of the change; and
 - (b) provided a copy of the notice to the regional director and every trade union representing any affected employees who are subject to a collective agreement.
- (13) Where, before the end of an averaging period, an employer alters the number of weeks in the averaging period applicable to employees or ceases to calculate the average hours of work of employees, the employer shall pay those employees, at the overtime rate established pursuant to section 174 of the Act, for any hours worked in excess of 40 times the number of weeks in the completed part of the averaging period.

(SOR/91-461, s. 6;SOR/94-668, s. 3)

Exemptions from overtime pay provisions

Sec. 7.

Notwithstanding the requirements of these Regulations, section 174 of the Act does not apply in circumstances where there is an established work practice that (SOR/91-461,s. 7.)

- 1 requires or permits an employee to work in excess of standard hours for the purposes of changing shifts;
- 2 permits an employee to exercise seniority rights to work in excess of standard hours pursuant to a collective agreement; or
- 3 permits an employee to work in excess of standard hours as the result of his exchanging a shift with another employee.

APPENDIX A-11

Letter dated November 7, 2005, concerning the amending of hours of service provision

Calgary, November 7, 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

During our recent discussions concerning the establishment of the Communications Centre in Montreal, you indicated that you could not accede to the Company's proposal with regard to the amending of the hour of service provision on a wholesale basis.

However, it was agreed that either party would be amenable to addressing specific requests put forward with regard to the hours of work, i.e. 8, 10, 12 hour shifts, or combination thereof and rest days, and that amendments to the hour of service provision could be implemented upon mutual agreement on a case by case basis, and such requests would not be unreasonably withheld.

Yours truly,

(Sgd.) E.J. MacIsaac
Manager, Labour Relations

APPENDIX A-12

Letter dated November 7, 2005, concerning the inability of employees to be away from the workplace in order to celebrate specific religious holidays

Calgary, November 7, 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

During negotiations, the Company and the Union discussed the Union's concerns with respect to the inability of employees to be away from the workplace in order to celebrate specific religious holidays.

The parties recognize that the Company has a diversified workforce covering many different cultures and religions. With the diversified workforce, the issue of substitution of the current general holidays for specific significant religious celebrations was discussed.

The parties agree that arrangements can be made to allow for the substitution of current general holidays, subject to operational requirements and specific conditions. For employees wishing to utilize this understanding, the conditions are as follows:

- Employees wishing to substitute a current general holiday or holidays for specific significant religious celebrations must contact their immediate supervisor and identify the dates of the specific religious celebrations that they wish to substitute prior to the beginning of each new calendar year.
- The Company officer will identify the current General Holiday(s) available for substitution.
- Substitution will only be allowed if operational requirements permit.
- No grievances will be allowed to be submitted in the event that a substitution request is not allowed.
- General Holiday rules will apply to the substituted day.

- The Company will not incur additional costs.
- If required to replace an employee on the substituted day, spare employees may be utilized at straight time rates of pay.

While it is the Parties intent for this new arrangement to be successful and to continue for a trial period of a length equal to the term of the Collective Agreement, it is understood that this agreement may be terminated by either party upon providing 60 days written notice to the other party.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below.

Yours truly,

(Sgd.) E.J. Maclsaac
Manager, Labour Relations

APPENDIX A-13

Letter dated November 7, 2005, concerning employees who encounter financial hardship due to undue delays in a decision being reached by the Workers Compensation Board/CSST

Calgary, November 7, 2005

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

During our recent discussions concerning the establishment of the Communications Centre in Montreal, a concern was raised by the Union in regards to employees who encounter financial hardship due to undue delays in a decision being reached by the Workers Compensation Board/CSST.

In such circumstances the President or his delegate may contact the Manager Benefit with a view of providing Weekly Indemnity Benefits. Where it is agreed to provide Weekly Indemnity Benefits a firm commitment must be made by the employee to reimburse such WIB upon a decision by the Workers Compensation Board/CSST.

Yours truly,

(Sgd.) E.J. Maclsaac
Manager, Labour Relations

APPENDIX A-14

Letter dated June 22, 2006 concerning Collective Agreement Guidelines

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Madam:

This is in regards to our discussions, during negotiations, concerning the suggestion to develop an electronic user guide for the respective collective agreements for use by local union and company officers.

Recognizing the potential benefit of providing clarity regarding certain complex provisions of the respective collective agreements, it was agreed that within 90 days of the new collective agreement taking affect, the parties would meet to determine how best to develop and make available such information, its value before a third party and what articles would benefit from further clarification. It is understood that, if possible, clear simple language in the collective agreement is preferable to a user guide interpretation.

Yours truly,

J.C. Copping
Director, Labour Relations

APPENDIX A-15

Letter dated June 22, 2006 concerning Reversion to 8 hour shifts

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Madam:

This is in regards to our discussions, during negotiations, concerning the establishment of eight hour shifts. It was recognized that in those instances where other than eight hour shifts are being used the Company has the ability to revert to eight hour shifts to meet the needs of the service.

However, it was also recognized that when a particular location reverts to an eight hour shift, there may be some disruption to both employees and the operation. In order to alleviate and/or mitigate these disruptions, should they occur the parties agreed to the following:

Employees and the Union will be provided with at least 30 days written notice when reverting to an 8 hour shift.

In such circumstances, the Company will meet and consult with the Union, within 30 days, prior to the change in shifts, to explore alternatives where deemed necessary. This will be accomplished by a Company/Union LAC Sub-Committee which will be formed to review alternatives and to help implement the change. The Company will share appropriate information with the Sub-Committee to assist this process.

It was also acknowledged that any alternative arrangements to eight hour shifts must address the potential disruptions as well as meet the needs of the business at no additional cost and must be agreed upon by the members of the LAC Sub-committee

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below.

Yours truly,

J.C. Copping
Director, Labour Relations

I concur

Nathalie Lapointe
Présidente

APPENDIX A-16

Letter dated June 22, 2006 concerning Not Docketing a Grievance Within Two Years

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers of America
2360 de Lasalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

This is in regards to our agreement that a grievance not docketed for arbitration within 2 years of submission of the Step I grievance will be dropped.

The Parties recognize that in exceptional circumstances it may not be practical to have a grievance docketed for arbitration within 2 years. An example of this would be a grievance involving an employee suffering from substance abuse. For this type of situation the parties may mutually agree to waive the two year clause and agree to extend the timeline.

Yours truly,

Jason Copping
Director, Labour Relations

APPENDIX A-17

Letter dated June 22, 2006 concerning Overtime Averaging

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Madam:

As a result of regulations imposed by Human Resources Development Canada, the parties have agreed to implement an Overtime Averaging concept. It is understood that this concept will be tailored to local needs. However, all locations will follow a common framework which is defined as follows:

Framework – Over Time Averaging

Intent

To enable employees to work more than one overtime shift per week as well as to ensure a consistent approach in the payment of overtime, it was agreed to implement a provision for overtime averaging based on the framework outlined below. The provision would be implemented on a location by location basis in consultation with local union representatives at that location.

Process

A Joint Union/Management Orientation Team will be established. This team will develop an overtime averaging aid, which will be used as a guideline for local management and local union officials.

Within thirty days of ratification, local management will meet local union representatives and consult concerning the design of the Over Time averaging for that location. Implementation would be done by the end of the first pay period in January 2007, unless extended by mutual agreement. The Orientation Team will be available to assist in implementation of Overtime Averaging as required.

Issues for discussion will include:

- 1) **Duration of the Averaging Period**
The duration will be either 2, 4, or 6 weeks depending upon the nature of

the operations at the location

- 2) Calling procedure for employees on the make up and overtime lists.

Overtime Averaging

In addition to changes discussed above, the Overtime Averaging provision would affect hours of service, pay for employees and scheduling with the introduction of a Make-up List over the averaging period. These items are addressed below:

Hours of Service

With an overtime averaging provision, an employee may work up to 48 hours times the number of weeks in that averaging period. Currently, under the Canada Labour Code, not counting emergency situations (as defined in the Canada Labour Code), employees may only work up to 48 hours in a 7 day period. For example, using an overtime averaging period of 4 weeks, employees would be entitled to work a maximum of four eight hour shifts in addition to their regular hours during that four week period. This provides greater flexibility for employees who wish to work overtime on a given week and greater flexibility for the Company who may require additional resources on a particular week.

Payment

a) Time worked on proper authority on any day in excess of scheduled hours will be considered as time worked during the averaging period (2, 4 or 6 weeks).

b) Hours worked, including any paid authorized leave as outlined in the Code and pre approved banked hours taken in lieu, for each designated averaging period will be totaled and hours in excess of 40 hours times the number of weeks in the averaging period will be paid at time and one-half rates. (i.e. Hours worked over 160 hours in a 4 week averaging period would be paid at time and one-half rates.)

For clarification paid authorized leave includes General Holidays. (This does not impact the current payment of a General Holiday.) Additionally, paid authorized leave includes pre approved banked hours taken in lieu. It does not include sick leave or any authorized leave which does not include payment from the company.

c) In cases where the averaging period is two weeks, at the end of that period, for any time worked in excess of 80 hours, employees will have the option to bank this as over-time or be paid at time and one-half rates.

d) In cases where the averaging period is greater than two weeks, prior to the commencement of the averaging period, employees must advise Company of their desire to either bank excess hours at the end of the averaging period or be paid for that averaging period.

Employees working excess hours may indicate their desire to be paid at the overtime rate. Should an employee work excess hours during the averaging period, the employee will be paid at the pro-rata rate (straight time rate) for all hours worked in that averaging period. If entitled to overtime as per paragraph (b), at the end of the averaging period, the employee will be paid the difference between the pro-rata rate already paid and the Overtime Rate for all overtime hours worked.

Employees may choose to bank their excess hours for the averaging period. Any hours worked in excess of 80 hours in a pay period will not be paid but will be held in abeyance. At the end of the averaging period, the excess hours will be banked at overtime rates of pay (time and one half). If there are no excess hours, hours worked will be paid at straight time rates of pay.

e) The averaging period will coincide with the pay periods.

Make-Up List

An employee who is on an unpaid leave (i.e. sick) during the averaging period may place their name on the Make Up list. An employee may only be on this list until s/he recoups the equivalent hours of unpaid leave for that averaging period (i.e. if an employee misses two shifts- 16 hours- they will remain on the Make Up list until they have worked the equivalent of 16 hours through working additional shifts or working prior to / after their regularly scheduled shift). Employees will be placed on this list in seniority order and called in a rotation to ensure a fair distribution of shifts. Employees will be called for shifts provided it does not interfere with their regular schedule. To ensure that this list is used as intended, the parties may make modifications or other arrangements as mutually agreed.

In implementing this provision, the union indicated a concern that it would result in the Company hiring fewer individuals. The Company provided assurance that this was not the intent and also indicated that although overtime averaging permits more flexibility for employees to work extra hours within the averaging period, the maximum hours permitted, on average, would still be governed by legislation.

The terms of this letter supersede the applicable terms of the Collective Agreement

Yours truly,

J.C. Copping
Director, Labour Relations

I Concur

N. Lapointe
President

APPENDIX A-18

Letter dated June 22, 2006 concerning Job Sharing & Phased Retirement

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Ms. Lapointe,

This is in regards to our conversations pertaining to the desire of the USW to include a provision for Job Sharing and Phased Retirement.

1) Phased Retirement

The intent of phased retirement is to permit employees who are eligible to retire to reduce their work week in preparation for retirement. Details concerning how Phased Retirement would work and how such opportunities will be awarded are outlined below:

i) Number of Opportunities

Awarding of Opportunities will be at the discretion of the Company depending upon staffing needs.

ii) Eligibility to Apply

To be eligible to apply for phased retirement, employees must be eligible to apply for unreduced retirement (minimum age 55, minimum 25 years of service, age plus service 85 points or greater).

iii) Phase and Duration

Employees may apply to reduce their work week to four (4) or three (3) days per week on their current permanent position for the duration of the phased retirement. The work week may also be reduced from four days to three days during this period (i.e. after 6 months). The duration of the phased retirement will be one year. At the end of the one year, the employee will retire. This period may be extended with concurrence of the General Chair and General Manager.

iv) Application & Award Process

If an eligible employee desires to take advantage of this provision, the employee may apply to the Company indicating when they would wish to start the Phased Retirement and which day(s) they are seeking to reduce and when. In order to

properly evaluate the request, such requests should be made 30 days in advance of when the employee would wish to start Phased Retirement.

The request will be evaluated in light of the staffing needs. If more than one application is received, they will be awarded in order of seniority.

The Company will confirm the start date of the phase, the number and which day(s) on the assignment that will be reduced. Confirmation will also be provided to the Local Chair. The Company will also make arrangements to fill the resulting vacancy on the position as follows:

- For a four day phase resulting in a one (1) day vacancy, such vacancy will be filled by a Permanent Unassigned or Spare position.

- For a three day phase resulting in a two (2) day vacancy, the vacancy may be provided to a job share candidate requesting two days where feasible. If not feasible, the vacancy will be bulletined as a two day vacancy and granted to the senior applicant who would work the position for two days and their own position for three days. Such application will only be granted to employees where this arrangement is operationally feasible. In the event no applications are received for the vacancy caused by the Phased Retirement, such vacancy will be filled by a Permanent Unassigned or Spare position. The two day vacancy created by the Senior applicant being awarded the phased retirement vacancy will be filled by a Permanent Unassigned or Spare position.

2) Job Share

The intent of including a Job Share provision is to assist employees in striking a balance between Work & Personal Life for a period of time when it would be difficult to work five days a week. Examples of certain situations would include employees needing additional time to raise a family or employees responsible for eldercare. It is understood that Job Share arrangements will not apply in situations when an employee desires to work elsewhere.

i) Number of Opportunities

Awarding of Opportunities will be at the discretion of the Company depending upon staffing needs and taking into consideration the size of the office. The maximum number of participants including Spares and P/Us involved in Job Sharing will be 10% of permanent positions (excluding P/U positions.) This maximum number may be increased upon mutual agreement.

ii) Eligibility to Apply

To be eligible to apply, employees must own a permanent position in the USW bargaining unit.

iii) Job Share and Duration

Employees may apply to be involved in a job share, reducing their work week to between two (2) and four (4) days per week. Such period of a job share may be no less than 3 months and no greater than 12 months. The 12 month period may be renewed through the application process.

iv) Application & Award Process

If an eligible employee desires to take advantage of this provision, the employee may apply to the Company 90 days prior to the end of the year indicating the number of days they wish to work, which day(s) they are seeking to reduce and when and the duration of the job share.

The request will be evaluated in light of the staffing needs. If more than one application is received, they will be awarded in order of seniority. Preference may be given to joint applications for a Regular Job Share (i.e. one person works 3 days per week and another 2 days per week.)

If the application can be granted, the Company will confirm the start date of the job share, the number and which day(s) on the assignment that will be reduced. Confirmation will also be provided to the Local Chair. The Job Shares will be arranged in the following manner:

- For a four and one day job share, the one day vacancy will be filled by a Permanent Unassigned or Spare position.

- For a three and two day Job Share, the Company will attempt to match applications and qualifications based on the job being held by the senior applicant to create a Regular Share. In the event such a match cannot be made, the resulting 2 or 3 day vacancy, will be bulletined and granted to the senior applicant who would work the position for 2 or 3 days and their own position for 2 or 3 days. Such application will only be granted to employees where this arrangement is operationally feasible. The vacancy created by the Senior applicant being awarded the job share vacancy will be filled by a Permanent Unassigned or Spare position. In the event no applications are received for the vacancy caused by the Job Share, such vacancy will be filled by a Permanent Unassigned or Spare position.

v) Termination

If the needs of the business require, upon 30 days written notice, job share arrangements may be cancelled by the Company. This will be done in the reverse order of seniority.

An employee may opt out of the job share arrangement prior to the expiration of the term due to exceptional circumstances and with the concurrence of the President and the General Manager.

3) Administration

In order to administer these arrangements, the following items are provided for clarification.

i) Payment

- Employees will be paid on an hourly basis as per the terms of the collective agreement.

ii) Benefits

Employees participating in Job Sharing or Phased Retirement will have the following options regarding CPR benefit plans:

- (a) Benefit Top-up - The Company and the employee share the costs of extended health & welfare, dental and life insurance benefits outlined in the USW benefit plan. This share will be based upon the amount of hours worked. For example, if an employee works 4 days per week (80%) the Company will pay for 80% of the cost of these benefits and the employee will pay for 20%. This amount will be deducted from the employee's paycheque. The amount will be confirmed prior to the employee accepting job sharing or Phased Retirement and will be based upon the average costs for the benefits for USW represented employees in the previous year. Note that this is in addition to any deductible payment required under the plan.

- (b) Opt out of the CPR benefit plan.

iii) Pensions

As per the terms of the pension plan, employees participating in Job Sharing or Phased Retirement will have their Pensionable Service calculated based upon the following formula: 21 days worked will equal 1 month of service with a maximum of 12 months in any one year period. Final Average Earnings, where applicable, will be based on the best 1260 days worked (based on a standard 8 hour day).

iv) Annual Vacation

a) Generation of Entitlement while on Job Sharing/Phased Retirement

Terms of the Collective Agreement will apply. For example, if an employee is entitled to 4 weeks of vacation and only works 3 days per week for the entire previous year, based on the number of days worked and or available, they would be entitled to 12.5 days of paid vacation. Recognizing that the number of paid days would not change, the Company would be prepared to round up to the nearest week in terms of allotment of annual vacation. In the case above, 3 weeks.

b) Taking of Annual Vacation

Employees participating in Phased Retirement will be granted Annual Vacation based on the previous year's entitlement up to the maximum number of weeks of that

entitlement as per the terms of the Collective Agreement. For example, an employee working 3 or 4 days/week who is entitled to 6 weeks annual vacation will be granted only six calendar weeks vacation, however, they will be paid for 30 days of Vacation for that period.

Employees participating in Job Sharing will be granted Annual Vacation based on the previous year's entitlement up to the maximum number of weeks of that entitlement as per the terms of the collective agreement. However, in this circumstance, employees participating in Job Sharing may elect to bank Vacation days at the applicable rate until they return to Full time work. For example, an employee working 3 days per week who is entitled to 4 weeks of vacation has the option of taking 4 calendar weeks of vacation and either being paid for 20 days over that period with no carry over or being paid for 12 days in that period and banking the remaining 8 days at the previous years rate to be used upon return from Job Sharing.

v) Statutory Holiday

For employees Job Sharing or participating in Phased Retirement, payment for Statutory Holidays will be governed as follows:

Regular Job Share – 2 days with 3 days – Employee who works the statutory holiday for the assignment that is being shared will be paid for the holiday.

Job Share – 2 or 3 days with P/U or Spare - Under the agreement, an employee with less than 12 days in the previous 30 days prior to the General Holiday is not entitled to the Statutory Holiday.

Job Share/Phased Retirement – 4 days with P/U or Spare: Employee is entitled to the Statutory Holiday under the terms of the agreement.

vi) Ad Hoc Staff Shortage

If an employee is involved in a Regular Job Share/Phased Retirement with another employee (i.e. 2 days + 3 days) in the event one employee is unavailable, the employee will call their counterpart first to determine if they can work the shift and, if not, will book off as per local policy. In the event the counterpart can work the shift, payment for such work will be at straight time. If the counterpart cannot work the shift, the vacancy will be filled as per the terms of the collective agreement.

If an employee is involved in a Job Share or Phased Retirement with a P/U or Spare and that P/U or Spare is unavailable, and there is no other P/U or Spare available for the shift at straight time, the employee will be offered the shift at straight time. If unavailable or refuses, the vacancy will be filled as per the terms of the collective agreement.

Employees whose applications for Job Share or Phased Retirement have been granted may not be placed on an Overtime list.

vii) Shift Exchange

Where applicable, employees involved in a Regular Job Share or Phased Retirement may exercise shift exchanges with their counterpart on that position only.

viii) Seniority & Dues

Under this arrangement, Seniority will be protected and Dues will be deducted as per the terms of the USW Constitution.

ix) Bereavement Leave

Employees participating in Job Sharing and Phased Retirement are entitled to Bereavement Leave. For clarity, such leave will not be moved to working days.

4) General Provisions

Both Parties recognize that Phased Retirement and Job Share programs are new to the Railway industry and that the USW agreement governs multiple worksites with different schedules, hours of work and practices. As such these programs may need to be altered to obtain the desired outcomes. Accordingly, the parties agree that the terms of the program will not form part of the collective agreement and may be modified upon mutual agreement to meet the needs of each work location. Additionally, it was also understood that the parties with 120 days written notice could cancel the program prior to the end of the year to take effect December 31.

In implementing this program, representatives from Labour Relations, USW and local management will meet as required to review issues and assess the programs.

Yours truly,

J.C. Copping
Director, Labour Relations

APPENDIX A-19

Letter dated June 22, 2006 concerning Compassionate Leave

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Ms. Lapointe,

This refers to our recent discussions during negotiations concerning the Union's desire for a provision for Compassionate Leave.

The parties agree to implement a provision for Compassionate Leave under the following conditions:

1. A maximum period of leave of three (3) months duration.
2. For assigned employees, payment in the form of a repayable loan to the employee of the equivalent of the employee's current hourly rate times the number of hours in a regular work week for each week of personal leave or equivalent number of days under a Job Share or Phased Retirement. For an unassigned employee the weekly earnings will be computed from base earnings (i.e. hourly rate excluding overtime, shift differentials) in the prior 12 month period (after the initial 65 days cumulative compensable service per collective agreement definition of permanent employee).
3. Re-payment of loan at a minimum 10% of gross earnings. Full payment must be made over a period of no longer than two (2) years.
4. A guarantee that such loan will be repaid in the event of the employee's death, dismissal, resignation or separation/retirement. (An employee must sign an appropriate document outlining these terms).
5. A ceiling on the number employees on personal leave at any one time. (This will be determined by the Company).
6. Benefits will remain in effect during the leave period.
7. The leave will not be considered as pensionable service or CCS.

8. Applications for such personal leave to be made through the President of the USW.
9. Such personal leave to be subject to approval by the AVP, Industrial Relations.

It is understood that the personal leave program will be designed for the purpose of granting employees time off to manage urgent personal affairs, such as immediate family problems in exceptional circumstances, and will not apply to employee illness, injury, etc., nor will it apply when an employee has unused annual vacation entitlement. The personal leave program will not, therefore, replace existing benefits, programs or government programs.

The provision shall remain in effect for the duration of this agreement and may be renewed in the next round of bargaining.

Yours truly,

J.C. Copping
Director, Labour Relations

APPENDIX A-20

Letter dated June 22, 2006 concerning Paid Sabbatical Leave

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Ms. Lapointe,

This refers to our discussions during recent negotiations concerning the Union's desire for a provision for Paid Sabbatical Leave.

The parties agree to implement a provision for Paid Sabbatical Leave under the following conditions:

Preamble

Sabbatical leave of absence is to permit permanent employee the opportunity to take a leave of absence, which they personally finance through a deferral of salary. If the sabbatical is for full time attendance at a designated educational institute, the sabbatical must be for a minimum of three consecutive months duration. All other sabbatical leaves must be for a minimum of six consecutive months duration. All sabbatical leaves, including educational, must not exceed nine months duration

The sabbatical leave will be awarded on a first come first serve basis. The deferral years will not exceed 5 years. It is understood that Sabbatical leave of absence will not apply in situations where such requests are to go work elsewhere.

Definitions:

Sabbatical leave of absence:

Agreement between the Company and employee(s) allowing such employee(s) to defer a percentage of their basic Rate of Pay to accumulate for a period not exceeding 5 years, to finance a leave of absence not exceeding 9 months.

Deferral years:

The year(s) during which employees are deferring a part of their salary. The Sabbatical will be taken after the deferral years.

Sabbatical leave:

The period during which the employee is on leave of absence under this arrangement. The Sabbatical Leave will not be less than 3 consecutive months and cannot exceed 9 consecutive months and will be compensated by the contributions made by the employee.

Contract:

Signed document between the Company and the employee(s) specifying the period of time of the sabbatical leave and the deferral years.

General application:

Sabbatical Leave will be granted at the sole discretion of the Company. Should a Union's request for sabbatical leave be refused, the Company will supply a written confirmation of such refusal with an explanation of its decision. The Company decision will not be subject to appeal by the employee nor by the Union.

In order to allot sabbatical leaves of absence, the normal manner of allotting vacations may be modified to accommodate those taking sabbatical leave. No sabbatical leave will be taken between June 15 and September 15.

If the sabbatical leave of absence is approved, it will be subject to the following conditions:

1. Any contract cannot be for less than 1 year and cannot exceed 5 years and 9 months.

Example of contract:

If the deferral years are established at two years and the sabbatical at 6 months, the contract will be for a period of 2 ½ years. During the two years deferral the applicants will be compensated at 80 % of their basic weekly rate of pay.

To facilitate the accounting of the deferred salary accumulation due to the numerous variations in salary (job rate, shift differential, transfer time, overtime etc.), the amount deducted will be equal to 20% of the basic rate of pay in effect. That rate of deduction will remain the same for the entire contract period.

During the sabbatical leave, employees will be compensated at a salary calculated by dividing the total contribution accumulated by the employee during the deferral period, by the number of weeks of their leave of absence. (In the example described above, the total amount accumulated would be divided by 26 weeks)

The contract will be based on the attached table which explains the various types of deferral years based on 9 month to 5 year periods for a sabbatical leave of 3 to 9 months. For example, in a two year deferral period, for a sabbatical leave of 3 months duration, the employee would defer 11% of his /her salary, and receive 89% of his/her salary.

Un-deferred Salary

Deferral period	Length of Sabbatical	Length of Sabbatical	Length of Sabbatical
	3 months	6 months	9 months
*9 months	75 %		
2 years	89 %	80 %	73 %
3 years	92 %	86 %	80 %
4 years		89 %	84 %
5 years		91 %	87 %

* A one year contract (9 months deferral period and 3 months sabbatical leave) can only be awarded for educational purposes.

Note 1: The deferred amounts may not exceed one third of basic wages excluding gain/goalshare.

2. Except as provided below, employees under Sabbatical Leave Contract will be afforded all work benefits normally afforded to other permanent employees including the accumulation of seniority and service.
3. Sabbatical leave will not be considered as Pensionable Service.
4. Employees staffed to Sabbatical Leave of absence will be paid through the Direct Deposit System
5. General Holiday(s) falling within the period of Sabbatical Leave will not be compensated or reimbursed by the Company.
6. Employees on Sabbatical Leave will not be entitled to any premium or supplementary pay provided for in the Collective Agreement.
7. Time spent on Sabbatical Leave will count in the calculation of annual vacation for the following year.
8. At the completion of the Sabbatical Leave employees will be reinstated in accordance with the terms and conditions of the Collective Agreement.

9. An employee must return to regular employment for a period no less than the duration of the sabbatical leave taken.
10. The concept of Sabbatical Leave of absence will not be used as a pre-retirement leave of absence nor will it be used to accommodate working for another employer.

Funding

11. Amount deferred retained by the Company, through payroll deduction. Normal payroll deductions will apply.

Withdrawal:

12. Employees who decide to withdraw from the Contract, during the deferral years, should advise the proper officer of the Company, in writing thirty (30) days prior to the effective date of their withdrawal.
13. Employees who decide to withdraw from the Contract, during the Sabbatical, should advise the proper officer of the Company at least ten (10) days prior to their return to work.

Maternity Leave:

14. In cases of pregnancy where employees decide to request a maternity leave during the term of a Contract under this agreement, employees will have the following options:
 - postpone their Sabbatical leave until after their maternity leave, or
 - postpone their Sabbatical leave to another year. (This postponement can not exceed a period of five years and nine months from the date of signature of the Contract), or
 - Abrogate their Contract under this agreement.

Long Term Disability:

15. Should employees become disabled during the term of a Contract under this agreement, the agreement may be modified to cover the change. In cases where employees decide to postpone their Sabbatical Leave to another year, such postponement will not exceed a period of five years and nine months from the date of signature of the Contract.

Resignation:

16. Should an employee decide to resign from the Company during the term of a Contract under this agreement, the Contract will terminate on the effective date of the resignation and all contributions will be reimbursed.

Dismissal or Death:

17. In cases of dismissal of an employee or the death of an employee during the term of a Contract, the terms and conditions of the Contract will cease on the date of the event and all amounts deferred will be reimbursed.

18. In situations covered in items 10 to 15 inclusive, the Company will have thirty (30) days to immediately return all amounts deferred.

19. Except in cases covered by items 12, 13, 14 or 15, employees under Sabbatical Leave will not be permitted to terminate their Sabbatical Leave.

20. For the purposes of calculating Final Average Earnings, in the event that an employee withdraws from the Contract, the amounts deferred returned will not be included.

21. The provisions of this agreement will override any other provisions to the contrary.

The provision shall remain in effect for the duration of this agreement and may be renewed in the next round of bargaining.

Yours truly,

J.C. Copping
Director, Labour Relations

APPENDIX A-21

Letter dated June 22, 2006 concerning Work/Life Balance

Montréal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Madam:

This is in regards to our discussions, during negotiations, concerning various issues surrounding the scheduling of work. The parties acknowledge the employer's right to schedule employees to meet the demands of the business. The parties also acknowledge the right of the employees to maintain a proper work/life balance. Accordingly, the parties agree to meet, within 120 days of ratification, to discuss the following matters, with the intent of improving scheduling flexibility for both the Company and its employees.

- Part time employees during peak workload periods and weekends.
- Flex Time
- A.V. allotment
- Progressive retirement
- Leave for emergent family matters

Prior to this meeting, the parties will research the various best practices with regards to these issues. Upon mutual agreement, the parties may decide to implement any or all of these scheduling tools. The parties will develop appropriate rules to govern these matters.

Yours truly,

J.C. Copping
Director, Labour Relations

I concur
Nathalie Lapointe
President, TC Local 1976 USW

APPENDIX A-22

Letter dated June 22, 2006 concerning Working General Holiday

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de Lasalle Room 202
Montreal, Quebec

Dear Madam:

This is in regards to our discussions, during negotiations, concerning the scheduling of employees to work on General Holidays. The parties agree an employee may not be required to work on a General Holiday under the following conditions:

The employee will provide his/her supervisor with a minimum 10 days notice of his/her intent not to work the General Holiday.

The Company will solicit other employees to work the General Holiday. These employees will be paid at overtime rates.

If other employees are not available, the employee will be required to work his/her scheduled shift on the General Holiday.

In those instances where an employee's General Holiday does not fall on the officially recognized day of the General Holiday (sliding General Holiday) the employee may also request not to work the General Holiday under the same conditions mentioned above. However in that instance the employee actually working the shift will not be entitled to overtime premiums unless otherwise entitled under the Collective Agreement.

It is understood that an employee who is not required to work on a General Holiday, under the terms of this letter, will be considered available to work on the General Holiday under the terms of Article 13.3(b).

Yours truly,

J.C. Copping
Director, Labour Relations

I concur

Nathalie Lapointe
Présidente, TC Local 1976 USW

APPENDIX A-23

Letter dated June 22, 2006 concerning E-Learning

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USWA
2360 de Lasalle Room 202
Montreal, Quebec

Dear Madam:

This is in regards to our discussions, during negotiations, concerning E-Learning (Electronic Learning). It is understood that the Company has the right to determine the form and content of training programs. It is anticipated that, in the near future, the Company will be developing E-Learning programs for USW represented employees. One of advantages of the E-Learning is that this training need not take place at the work location, as an example, an employee can participate in an E-Learning program at home.

Prior to the implementation of E-Learning, the Company will notify the Union of the implementation of the E-Learning programs. As a general concept, an employee will not be paid if he/she is not required to participate in an E-Learning program and decides to do so on his/her own initiative. If the Company requires an employee to participate in an E-Learning program then that employee will be paid on a lump sum basis. The Company and the Union will agree on the amount of this lump sum on a program by program basis. In determining the lump sum, taking into consideration that both the Company and employees benefit from the implementation of E-Learning programs, the payment would represent part of what the employee would have been paid had they attended the program in class.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below.

Yours truly,

J.C. Copping
Director, Labour Relations

I concur

Nathalie Lapointe
Présidente, TC Local 1976 USW

APPENDIX A-24

Letter dated June 22, 2006 concerning Flex Time

Montreal, June 22, 2006

Ms. Nathalie Lapointe
President
TC Local 1976, USW
United Steel Workers
2360 de LaSalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam,

This is in regards to our discussions pertaining to your demand for Paid Flex Days for unionized employees which arose as a result of the implementation of Company policy 7105 on the same subject.

Although the Company could not accede to your request as presented, the Company did recognize that at a number of workplaces with a standard work week and limited opportunity for overtime (and the ability to bank overtime) it is difficult for employees to obtain paid time off to attend to personal and/or family matters.

To this end, it was agreed that the Company and the Union would meet following ratification and may by mutual agreement, modify the normal duration of work on a location by location basis. These modifications may include but are not limited to:

- Flex time policy
- 10/12 hour or variable shifts
- Variable start times/length of day
- Policy to purchase time off
- Shift trade policy

The objective of such arrangements is to provide time off for personal matters, while at the same time, recognize the operational needs of the business.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below.

Yours truly,

J.C. Copping
Director, Labour Relations

I Concur: Nathalie Lapointe
President, TC Local 1976, USW

APPENDIX A-25

Letter dated July 15, 2009 concerning Job Rates and Starting Rates

CALGARY July 15th, 2009

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de LaSalle Room 202
Montreal, Quebec
H1V 2L1

Nathalie,

This is further to our discussion regarding the ability of the Company to quickly respond to market conditions with respect to the attraction and retention of employees.

The Company recognizes that there will be times when local economic conditions make it more difficult to attract and retain employees for periods of time. When this occurs it becomes harder to staff to proper levels. It is in the interest of all to react to such situations as they arise. Inasmuch as any such arrangement will result in increased costs to the Company it will only be used as required.

In this regard, effective on January 1st, 2010, the Company may, at its discretion, modify hourly starting rates beyond the Collective Agreement provisions in areas such as a craft within a department at a location or all employees within a department selected by the Company and for durations determined by the Company.

Starting rates at a specific location may be modified, in whole or in part, for certain job classifications as determined by the Company. The Company will inform the President of the USW Local 1976 in writing when such a change is being undertaken. Union consent, however, is not required to modify starting rates on this basis.

The Company agrees that, when enacted, modified starting rates at the affected office will not be decreased for a minimum period of 3 months. It is further understood that employees whose rates were modified as a result of the provisions of this letter will not have their own rate(s) reduced when the modified rates are restored to reflect the minimum collective agreement provisions. Rather, they will continue on with any remaining progression based on their time in the position and their modified rate.

In addition, the Company may also, at its sole discretion, advance the qualifying period(s) for Extended Health and Dental benefits for new hires. This may be done in conjunction with modified starting rates contemplated in this letter or in isolation.

The Company may also, increase regular job rates in other job classifications by location as required for periods of time, however, given the existing SES (Simple Effect Solution Pay Evaluation System) protocols, this will take place with the mutual agreement of the Union. It is understood that agreement by the Union will not be unreasonably withheld.

The Company also maintains the ability to re-instate collective agreement rates.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below and return one executed copy to me for my records.

Yours truly,

John Bairaktaris
Director Labour Relations
Canadian Pacific

I concur,

Nathalie Lapointe
President, TC Local 1976, USW

APPENDIX A-26

Letter dated July 15, 2009 concerning a Drug Card

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de LaSalle Room 202
Montreal, Quebec
H1V 2L1

CALGARY July 15th, 2009

Nathalie,

This refers to our recent discussions regarding a cost neutral drug card.

As discussed, I am pleased to inform you that we are prepared to make a drug card available "on a pilot basis" to your members subject to the following:

The drug card will be subject to the same dispensing fee cap that is applied to the management "mid-line" plan; this is currently set at 80% of the dispensing fee charged to a maximum of \$7.50 per prescription and is reviewed on a regular basis against competitive practice.

In order to obtain a drug card employees will be required to positively enroll their dependants and provide data about any other drug plan they have access to (e.g. spousal benefit plan) in order to enable to co-ordination of benefits.

Implementation of a 25% cap for all employees on allowable pharmacy "markup" on all drug categories as compared to the current 50% allowable markup for generics and single-source brand name drugs and the current 15% allowable markup for brand name drugs where a generic exists. This change will match the markup limits in the management plan. Markup is what the plan allows the drug store to charge over and above what provincial drug boards set as the reasonable and customary charges per Drug Identification Number (DIN). The 25% cap is consistent with the management plan.

Furthermore, the following serves to clarify the definition of a "spouse" with respect to Extended Health, Vision Care and Dental benefits:

A spouse is:

The person who is legally married to you and who is residing with or supported by you, provided that there is no legally married "spouse" that is eligible, it is the person that qualifies as a "spouse" under the definition of that word in Section 2(1) of the Canadian Human Rights Benefit Regulations, so long as such person who may be of the same or opposite sex was publicly represented by you as your "spouse" and cohabited with you in a conjugal relationship for:

- At least one (1) year if you and that person were free to marry: or
- At least three (3) years if either of you was not free to marry the other.

In the case of separation of more than three months, or divorce, he/she is no longer eligible for coverage.

Finally, employees who have an ongoing prescription will be governed by mandatory mail order pharmacy service for long-term maintenance drugs. The Company is currently in the process of implementing this service which will provide convenience, cost savings and quality service to all users.

Although employees will not be obliged to get a drug card, please note that the same adjudication practices described above will apply for drug claims reimbursed by submitting paper-based claims.

In the event of any specific concern associated with this letter the President of the Union and the AVP of Industrial Relations will meet to discuss the case.

Cards issued will be in effect until December 31st, 2012. Should the Company incur additional costs beyond 10% during the usage period then the Company retains the right to cancel the cards or to renegotiate the drug card particulars with the Union.

We are developing an enrolment process to expedite the process.

If you have any questions we can discuss further.

Yours truly,

J. Bairaktaris
Director, Labour Relations

APPENDIX A-27

Letter dated July 15, 2009 concerning the commitment to reach a resolve with respect to establishing new rules dealing with hours of service, work schedules, and the creation of part-time positions

CALGARY July 15th, 2009

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de LaSalle Room 202
Montreal, Quebec
H1V 2L1

Dear Madam:

During negotiations a significant amount of discussion took place with respect to the Company's request to modify the hours of service provisions, work schedule and feasibility of establishing rules surrounding the creation of part-time positions. Many of the issues discussed, which included weekend work schedules and reduced work day hours, have significant and complex implications vis-à-vis the current Collective Agreement. As such, the parties could not properly address the issues given the time constraints in attempting to reach a settlement.

The parties recognize the need to explore the issues and have agreed to meet, within 120 days, following the implementation of the Collective Agreement, with a commitment to meeting and potentially reaching a resolve to these issues during the closed period.

If the foregoing accurately reflects your understanding of this matter, please indicate your concurrence in the space provided below.

Yours truly,

(Sgd.) J M. Dorais
Manager, Labour Relations

I Concur: (Sgd.) Nathalie Lapointe
President, TC Local 1976, USW

APPENDIX A-28

Letter dated July 15, 2009 concerning Accrued Annual Vacation

CALGARY July 15th, 2009

Ms. Nathalie Lapointe
President
TC Local 1976, USW
2360 de LaSalle Room 202
Montreal, Quebec
H1V 2L1

Nathalie,

This is further to the recent discussions between the Company and the Union in relation to mitigating layoffs as well as your request for the Company to provide paid sick days. While the Company was unwilling to provide paid sick days we were able to arrive at a resolution that will address the sick day concern as well as the need to mitigate layoffs.

The key element of this arrangement is the initiative to convert annual vacation entitlements from the Accrued method to the Current method. This will have the effect of mitigating the aforementioned layoffs in 2010 and beyond, and will allow employees to pay sick days from their accrued AV bank.

As you know, employees on accrued service earn their vacation entitlement during one calendar year and use it during the following calendar year whereas employees on current service vacation earn and use their vacation entitlement during the calendar year it is earned.

It is understood that for the purpose of transitioning to Current Service, the accrued annual vacation entitlements will be determined based on entitlement as of January 1st 2010. This is a one time transition of accrued annual vacation to a bank that will be used by the employee. This will, henceforth be referred to as an individual's Accrued AV Bank. All employees on January 1st, 2010 will be on current annual vacation. New employees hired on after January 1st, 2010 will not have an accrued AV bank and will have pro-rated vacation in their first year.

It is our desire to have all employees deplete their accrued AV bank by December 31st, 2012 however, it is understood that the accrued annual vacation entitlements must be scheduled in a manner that results in an even distribution of work through the year so as to mitigate lay offs.

As an example:

An employee, who on January 1st, 2010 was entitled to 3 weeks annual vacation, will have 3 weeks in their Accrued AV Bank and 3 weeks of Current Annual Vacation.

In 2010, the employee is now on Current Annual Vacation (3weeks) and has 3 weeks in their Accrued AV Bank. He takes 5 weeks of annual vacation in 2010.

In 2011, this employee will have 3 weeks of Current Annual Vacation to take and 1 week of Accrued Annual Vacation left. He takes all 4 weeks.

In 2012, this employee has 3 weeks of Annual Vacation to take and no more weeks in his Accrued AV Bank.

For the purposes of annual vacation entitlement days, the existing formulas within the Collective Agreement will apply with all USW represented employees being moved to current annual vacation however, for the purposes of transitioning from one service level entitlement to another, the incremental entitlement will be scheduled in the year of entitlement.

As an example:

On an employee's "anniversary date" e.g. May 1st, 2010 they have met the criteria to move to 4 weeks of annual vacation from 3, they will be entitled to schedule 4 weeks of annual vacation in 2010.

There are no changes or modifications to any aspect of the Collective Agreement except those that are explicitly stated or implied herein.

It is understood that an employee taking annual vacation on a Current basis, who is subsequently laid off, resigns or where the employment relationship is otherwise severed, may not have earned the annual vacation they have taken. This may also apply to employees who are on leave, off sick etc.

In such circumstances, the Company will have the ability to reduce the employee's accrued AV bank first to make up the difference. If a shortfall remains, the Company will make the appropriate deductions from outstanding wages as required and advise. If there are no outstanding wages the employee will make up the difference.

It was agreed during bargaining that the accrued AV bank may be used for a number of purposes, as follows:

(1) Mitigation of Existing Layoffs

Where employees are laid off, once the accrued AV banks are established, a number of additional AV slots up to the number of layoffs may be created by the Company. These AV slots would be bid and filled in the normal manner using senior may/junior must rules. This creation of these slots allows laid off employees to return to work.

(2) Mitigation of Expected Layoffs

Where employees are not yet laid off a new process will be introduced. The Company will identify to the Union in writing the number of employees that it anticipates would be laid off. This is not a layoff notice. It does, however, trigger the Company's ability to create a number of additional AV slots up to the number of layoffs anticipated by the Company. These additional AV slots would be bid and filled in the normal manner using senior may/junior must rules. The creation of these slots will eliminate or mitigate the number of layoffs that would otherwise take place.

(3) Additional Annual Vacation

The Company will have the right to bulletin additional annual vacation slots, above and beyond the current process, when operating and staffing requirements allow. These additional AV slots would be bid and filled in the normal manner using senior may/junior must rules.

In (1) through (3) above accrued AV slots will be created using 1 week annual vacation blocks.

(4) Banked AV prior to Layoff

While the steps above serve to mitigate layoffs there may be times when it becomes unavoidable. In such cases employees being laid off will be required to exhaust their accrued AV banks prior to layoff.

(5) Sick Days

Employees who are legitimately booked sick will have the ability to draw on their accrued AV bank as payment for those days to a maximum of 5 days per year. The number of days may be increased by mutual agreement between the Company and the Union. No double payment is allowed.

(6) One-time Voluntary Conversion of Banked AV

On November 1st, 2012, employees with accrued AV banked time remaining may voluntarily convert up to 10 days of it to a one-time lump sum payment.

Such a payment will be the equivalent of 8 hours pay at their current job rate for each day they convert to a maximum of 10, for a maximum of 80 hours. Employees on other than 8 shifts will also have an 80 hour maximum and can make necessary arrangements consistent with current practice. Such a lump sum payment will not be considered pensionable, nor will it be used in calculations for goalshare, basic rates etc. The lump sum would be subject to all statutory deductions. Employee choosing not to exercise this one-time option will retain their accrued AV bank. Employees who do exercise the option will retain any additional banked days not converted.

These changes will be reflected in the next printing of the collective agreement.

If you concur with all of the above, please indicate same by signing below and returning a signed copy of this letter to myself.

Yours truly,

(Sgd.)John Bairaktaris
Director Labour Relations
Canadian Pacific

I concur,

Ms. Nathalie Lapointe
President, TC Local 1976, USW

APPENDIX A-29

Letter dated February 24, 2017 concerning Drug Card Renewal

Mr. S. Hadden
President - TC Local 1976, USW
2360 de LaSalle Room 202
Montreal, QC H1V 2L1

Dear Sir,

This refers to our discussions regarding a cost neutral drug card. The Company will continue to make a drug card available to your members subject to the following:

- The drug card will be subject to the same dispensing fee cap that is applied to the management “mid-line” plan; this is currently set as a maximum of \$7.50 per prescription and is reviewed on a regular basis against competitive practice.
- In order to obtain a drug card, employees will be required to positively enroll their dependents and provide data about any other drug plan they have access to (e.g. spousal benefit plan) in order to enable co-ordination of benefits.
- A 25% cap for all employees on allowable pharmacy “markup” on all drug categories. This is consistent with the markup limits in the management plan. Markup is what the plan allows the drug store to charge over and above what provincial drug boards set as the reasonable and customary charges per Drug Identification Number (DIN).

Furthermore the following serves to clarify the definition of a “spouse” with respect to Extended Health, Vision Care and Dental benefits:

A spouse is:

The person who is legally married to you and who is residing with or supported by you, provided that there is no legally married “spouse” that is eligible, it is the person that qualified as a “spouse” under the definition of that word in Section 2(1) of the Canadian Human Rights Benefit Regulations, so long as such person who may be of the same or opposite sex was publicly represented by you as your “spouse” and cohabitated with you in a conjugal relationship for:

- At least one (1) year if you and that person were free to marry or;
- At least three (3) years if either of you was not free to marry the other.

In the case of separation of more than three months, or divorce, he/she is no longer eligible for coverage.

Effective January 1, 2014, USW-represented employees will have the option of obtaining their maintenance medications through either the home mailing service, currently provided by Express Scripts, or through the regular pharmacy process utilizing their drug card.

Any maintenance medications sourced through the mail order provider will continue to be reimbursed at the current benefit level outline in the USW Benefit Plan.

Should an employee chose not to use this service and obtain their maintenance medication from their own pharmacy, the reimbursement level will be consistent with that of the management plan for maintenance medications purchased at a pharmacy. This reimbursement level is currently at 70% and may be subject to change.

Employee may choose to have any mix of their maintenance medications through the mail order method or through their local pharmacy.

Although employees will not be obliged to get a drug card, please note that the same adjudication practices above will apply for drug claims reimbursed by submitting paper-based claims.

Cards issued will be in effect until December 31, 2022. Should the costs to the Company increase beyond 10% during the usage period, the Company will have the right to revert to the mandatory order pharmacy service in effect prior to January 1, 2014, with 90-days written notice. Prior to this notice being serviced, the parties will meet to discuss the Company's concerns and review opportunities.

If the above accurately reflects your understanding, please indicate your concurrence by signing below.

Yours Truly,

For USW,

Myron Becker
Assistant Vice President
Labour Relations

Steven Hadden
President
TC Local 1976, USW