

February 22, 2015

### **CN Bargaining Update**

The Unifor CN Agreement 5.1, 5.1 Supplemental and Agreement 5.4 Bargaining Committees are pleased by the accomplishments we made on the non-economic matters that we tabled at bargaining with CN. However, as you are aware, negotiations are still ongoing as we have not settled any of the economic items that we tabled at the bargaining table. The non-economic items that we negotiated are not officially agreed upon or binding until the whole agreement is negotiated, including economic matters, and then ratified by our CN membership from coast to coast.

The Company tabled an economic offer to the Union the week of February 8<sup>th</sup> in Montreal. That offer was for a four year agreement with wage increases of 3% for each year of the contract. However, in terms of benefit improvements, CN would only offer what they negotiated with two other Unions, agreements that fall short of the benefit improvements that our Unifor members asked their bargaining committees to negotiate.

The number one issue that members told us was a priority, based on 49% of our membership participating in our bargaining surveys in the spring of 2014, was to improve paid sick days, with 67% suggesting that this was their personal priority. Of that 67%, 71% said they would be willing to take strike action in order to maintain and/or improve paid sick days. CN's economic proposal did not address the improvements we were looking to make on sick days as requested by our membership. We informed CN that we want to bargain an agreement that serves in the best interests of our membership, and not be imposed with a contract negotiated by another Union. It was on this basis that we rejected this offer.

We were hopeful that we would be able to meet with the Company again and bump up the value of their first offer as it pertains to benefits and paid sick days. But as you are aware, talks broke off completely based on other issues.

While Unifor was negotiating with CN and CNTL, they were also negotiating with CP Rail at another Montreal hotel. Where CN offered 3% wage increases, Unifor negotiated a deal with CP that sees wage increases of 3%-3%-3.5% and 4%. Unifor National President Jerry Dias calls this "the Unifor pattern," a pattern that at present, CN is not agreeing to. The National Union also had a proposal on the table for their Canadian Community Fund (CCF) where the **employers** of Unifor members contribute .5 cents per hour for every member into the fund to be used for various social and charitable initiatives in Canadian communities. CP agreed to contribute to this fund, but CN has refused. CN did offer to make direct charitable donations to women's shelters, something that the CCF also does. The CCF was made public and there are numerous stories and conflicting viewpoints on the fund, confusion as to the Union's bargaining agenda, and what's been offered at the bargaining table in terms of economic items.

After the Union rejected CN's first economic offer, in an email to our Union and immediately sent to our membership, CN said they were prepared to offer 3.5% in the third year of an agreement in lieu of a \$500 signing bonus and with trade-offs on work rules, but not a fourth year at 4%. But following this offer, there was no official face time between the bargaining committees to continue negotiating.

Unifor did not take strike votes and had no intentions to take any strike action against CN. We wanted to bargain a fair and reasonable agreement that meets the agenda that was set by our Unifor membership. Unfortunately, as you know, on Friday CN announced that they would lock-out Unifor members at CN, CNSAR and CNTL at 23:00 local time (11pm) Monday, February 23, 2015. This is unfortunate as we were hopeful that next week we would all be back at the bargaining table working towards new collective agreements for all our Unifor members at CN, CNTL and CNSAR. A lock-out means our members will be out on picket lines.

We have received numerous emails and phone calls from members who are confused and disturbed with our bargaining agenda. In the case of Council 4000 and Agreement 5.1, 5.1 Supplemental and Agreement 5.4, the CCF is not on our agenda. Our agenda, as explained above, is to maintain and improve our paid sick days (5.1 and 5.1 Supplemental) and to enshrine them (include them) in the context of the collective agreements, and to negotiate agreements for our membership in line with the Unifor pattern negotiated at CP.

Unifor President Jerry Dias and Assistant Bob Orr were summoned to Ottawa today to meet with Federal Labour Minister Kellie Leitch and CN President and CEO Claude Mongeau. Hopefully they will come to an agreement to reconvene the bargaining process and postpone Monday's lockout of our membership.

We will provide more information as it becomes available. Please keep in touch with your Local Chairpersons.

In Solidarity,

Barry Kennedy  
President  
Unifor Council 4000

Ron Shore  
Regional Rep  
Unifor Council 4000

Dave Kissack  
Regional Rep  
Unifor Council 4000

Serge Auger  
Regional Rep  
Unifor Council 4000

Jennifer Murray  
Regional Rep  
Unifor Council 4000

Mark Robinson  
Strike Coordinator/  
Bargaining Cmte Member

Myriam Germain  
National Rep  
Unifor

Bob Fitzgerald  
National Rep  
Unifor