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February 22, 2015

CN Savage Alberta Railway Bargaining Update

The Unifor CN Savage Alberta Railway Bargaining Committee has been negotiating with CN since March of 2013. The collective agreement expired December 31, 2012.

The long delay was due to CN's reluctance to move our 68 members from their present Defined Contribution Pension Plan into the CN Defined Benefit Pension Plan. This past summer, the Company finally agreed to move our members into the CN DB Pension Plan, but in exchange for swapping benefit plans. The present CNSAR Benefit Plan contains some better benefit options compared to the present CN Benefit Plan, hence we have been trying to maintain the CNSAR plan. In addition to this challenge, the Company has also served estoppel letters on the Union which would see overtime payments stopped for members who protect work at another terminal from off another terminal's spare board. As we have argued with CN, there exists two separate terminals or home stations, and each terminal has its own assignments, including spare boards, which are bulletined at both terminals at each change of card. Moreover, this has been a practice since June 1999. The Company will not move off this concessionary demand.

After many, many months of meetings and negotiations, we filed for conciliation in the fall and moved our bargaining into the other CN negotiations that started in September 2014.

The Company tabled an economic offer to the Union the week of February 8th 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. Moreover, as mentioned above, the Unifor CNSAR Bargaining Committee is being asked to swap our superior benefit package in order of becoming members of the CN DB Pension Plan.

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 all of CN's offers – CNSAR, CN Agreement 5.1, 5.1 Supplemental (Intermodal), Agreement 5.4 and CNTL.

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 Savage Alberta Railway, CN 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 CNSAR, CN and CNTL. A lock-out means our members will be out on picket lines.

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,

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