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UNIFOR • CN RAIL

B A R G A I N I N G R E P O R T

HIGHLIGHTS OF THE TENTATIVE AGREEMENT BETWEEN UNIFOR AND CN RAIL

**UNIFOR NATIONAL
COUNCIL 4000
FEBRUARY 2015**

HIGHLIGHTS

- Wage increases
- Benefits improvement
- Sick days in the collective agreement
- Inclusion of Savage Albert Railway in CN Pension Plan
- Increases in wait time, shunt rates zone rates and highway mileage rates for CNTL
- Improved allocation of work rules for CNTL

FOUR YEAR AGREEMENT

January 2015 to
December 2018

RECOMMENDATION

Your Unifor Master Bargaining Committee has negotiated a tentative agreement that enhances our wages, improves benefits and addresses our concerns on the job. Your Bargaining Committee unanimously recommends this tentative agreement and urges you to vote in favour of acceptance.

MESSAGE FROM UNIFOR PRESIDENT JERRY DIAS

Raising the bar at CN

To say that this was a challenging set of negotiations would be an understatement. This set of talks with CN was incredibly difficult and drawn out over five months. We were very close to reaching an agreement with CN in December, but then at the final hour the company came back with a number of concessions. The process was frustrating and slow, with CN misrepresenting the negotiations to our members.

With such a diverse group of members represented by Council 4000, there were many issues your committee was determined to resolve and succeeded in doing so. Your Master Bargaining Committee was committed to bringing back new agreements that would meet the needs of members. I'm pleased that we were able to do just that, even with the pressure of a looming lock-out by CN. The new agreement makes improvements in many areas and is better in many ways than agreements other unions have been able to negotiate. Your committee succeeded in raising the bar at CN.

I'm proud that we were able to come to a negotiated settlement. Unions must be autonomous and be able to carry out the important collective bargaining work that our members intrust us to do. Your support through-out the process has been invaluable in achieving the result that we now have.

I join with your Unifor-CN Master Bargaining Committee at Council 4000 in recommending this tentative agreement for approval.

In solidarity,

Jerry Dias
National President



MESSAGE FROM UNIFOR COUNCIL 4000 PRESIDENT BARRY KENNEDY

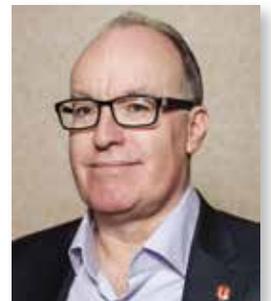
Progress for everyone during a challenging set of negotiations

Your four Unifor National Council 4000 Bargaining Committees worked extremely hard over the past five months in negotiating the five collective agreements for our 2,800 diverse members at CN, CNTL and CN Savage Alberta Railway (CNSAR).

The CNSAR collective agreement expired December 31, 2012 and we have been at the bargaining table since March 2013. 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. 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. We finally achieved our goal in having them moved into the CN DB Pension Plan thanks to the collective strength of all other Unifor Rail bargaining. In addition to the pension, members

received retroactive wage increases of 3% for 2013, 2014, 2015, 2016, 3.5% for 2017 and 3% in 2018 plus a base rate adjustment.

At CNTL, we negotiated a number of improvements to provisions in the collective agreement. For the first time in several contracts, the compensation package sees increases in the first year of the tentative agreement (.50 cents per hour increase to wait time and shunt rates, a \$1.00 increase to zone rates and 3% to highway rates), which is compounding for every collective agreement negotiated hereafter. The remaining three years of the deal includes additional increases to CNTL Unifor Owner Operator's compensation.



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Message from Unifor Council 4000 President Barry Kennedy

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For Agreement 5.1, 5.1 Supplemental (Intermodal) and Agreement 5.4, we negotiated wage increases that surpass the CN pattern. Our skilled trades' members (Agreement 5.1 Fleet Mechanics and Intermodal Heavy Duty Mechanics) will receive an additional base rate adjustment in the final year of the contract. Moreover, Foreman Mechanic and Garage Foreman classifications will receive an additional increase of .81 cents per hour in accordance these classifications falling under Article 2.3 of Agreement 5.1. The present three paid sick days is now enshrined in the collective agreement, meaning we can advance disputes over sick pay to a third party.

Given the challenges we faced (impending lockout), it was a stressful end to bargaining with a company that is hugely profitable, but one that is not easy to negotiate with. I ask that you join your respective bargaining committees in supporting these contracts for ratification.

In solidarity,

Barry Kennedy

Unifor National Council 4000 President

Savage Alberta Railway

Pensions

Savage Alberta Railway members are now included in the CN pension plan.

Wages

CN will provide a base rate adjustment of 1% effective January 1, 2018 to address the issues of attraction and retention in Northern Alberta.

Sick days

Existing paid sick days have been maintained for current members. Anyone hired after March 1, 2015 will have five sick days, but no carry-over.

Meal allowance

The meal allowance has been increased from \$30 to \$40.

Training

The training transportation allowance per day has been increased from \$25 to \$41.52 per shift.

Bereavement leave

Bereavement leave will now be granted in the case of the death of step-child or a still-born child.

Unifor-CN charitable fund

CN has agreed to establish a joint fund which will support philanthropic causes in Canada with emphasis on women's and aboriginal issues, among others. Unifor and CN will both put forward the same monies for the fund to support local initiatives.

CNTL

Fuel subsidy

The current CNTL fuel subsidy and safety bonus has been maintained.

New member orientation

New member union orientation has now been enshrined in the collective agreement.

Disciplinary investigations

All disciplinary investigations must be conducted in a fair and impartial manner, according to new provisions in the collective agreement.

Compensation

Effective the second regular pay period following ratification, there will be a .50 cent per hour increase to wait time and shunt rates; a \$1.00 increase to zone rates and a 3% increase to highway rates.

Effective January 1, 2016, there will be a .50 cent per hour increase to wait time and shunt rates; and a 2% increase to zone and highway rates.

Effective January 1, 2017, there will be a \$1.00 per hour increase to wait time and shunt rates; and a 1.75% increase to zone and highway rates.

Effective January 1, 2018, there will be a 1.75% increase to zone and highway rates.

Clerical, Office, Intermodal and Fleet Mechanics

There will be a based rate adjustment of 1% for mechanic positions within the Fleet Management Department and Intermodal Supplemental.

Vacation

Vacation accrual will provide new members hired after January 1, 2014 with vacation in the current year. This will also allow members to graduate to the next vacation allotment a year earlier.

Vacation relief/ summer students

Summer students will be hired to back-fill jobs to allow more members to take summer vacation at peak periods. The summer students will be union members and will be assigned to vacancies not claimed by regular members.

New member orientation

New member union orientation has now been enshrined in the collective agreement.

Sick leave

Sick leave entitlements of three days are now enshrined in the collective agreement. Disputes on sick leave will be resolved via the grievance procedure.

Council 4000 Intermodal Wage Table

Classification - Tier 1	2014	2015 3%	2016 3%	2017 3.50%	2018 3%
Toronto (example)					
Lead Hand Operations	\$31.37	\$32.31	\$33.28	\$34.28	\$35.31
Lead Hand Operations Qualified	\$33.31	\$34.31	\$35.34	\$36.40	\$37.49
Lead Hand Clerk	\$31.37	\$32.31	\$33.28	\$34.28	\$35.31
Dispatcher	\$31.37	\$32.31	\$33.28	\$34.28	\$35.31
Dispatcher Coordinator	\$33.61	\$34.62	\$35.66	\$36.73	\$37.83
Composite Employee	\$30.42	\$31.33	\$32.27	\$33.24	\$34.24
Heavy Equipment Operator	\$30.42	\$31.33	\$32.27	\$33.24	\$34.24
Clerk	\$29.83	\$30.72	\$31.65	\$32.60	\$33.57
Equipment Operator	\$28.23	\$29.08	\$29.95	\$30.85	\$31.77
Helper	\$27.35	\$28.17	\$29.02	\$29.89	\$30.78
Tractor Trailer Operator	\$27.71	\$28.54	\$29.40	\$30.28	\$31.19

Council 4000 5.1 Wage Table

	01/01/2014	01/01/2015 3%	01/01/2016 3%	01/01/2017 3.50%	01/01/2018 3%
Hostlers					
(a) Full rate	\$28.60	\$29.46	\$30.34	\$31.40	\$32.35
(b) Full rate	\$26.89	\$27.70	\$28.53	\$29.53	\$30.41
(c) Full rate	\$31.51	\$32.46	\$33.43	\$34.60	\$35.64
Weekly rated Non Clerical					
Labourer	\$1,008.00	\$1,038.24	\$1,069.39	\$1,106.82	\$1,140.02
Weekly rated Clerical					
Level F	\$1,133.20	\$1,167.20	\$1,202.21	\$1,244.29	\$1,281.62
Level G	\$1,162.80	\$1,197.68	\$1,233.61	\$1,276.79	\$1,315.09
Level H	\$1,193.20	\$1,229.00	\$1,265.87	\$1,310.17	\$1,349.48
Level I	\$1,224.00	\$1,260.72	\$1,298.54	\$1,343.99	\$1,384.31
Level J	\$1,256.80	\$1,294.50	\$1,333.34	\$1,380.01	\$1,421.41
Rates may vary slightly within a decimal point.					

Council 4000 Savage Alberta Railway Wage Table

Savage Alberta Railway	2012	2013 3%	2014 3%	2015 3%	2016 3%	2017 3.50%	2018 3+1%
Locomotive Engineer	\$37.34	\$38.46	\$39.61	\$40.80	\$42.03	\$43.50	\$45.24
Conductor Assistant	\$35.25	\$36.34	\$37.43	\$38.55	\$39.71	\$41.10	\$42.74
Conductor	\$31.38	\$32.32	\$33.29	\$34.29	\$35.32	\$36.55	\$38.02

Benefits

Prescription drugs

The current \$25 deductible per employee, per year will be waived - for drug coverage only.

Dental

The annual dental maximum will be increased from \$1,725 to \$1,825 for treatment on or after the first day of the month, following ratification. Coverage of dental expenses will continue to be based on the provincial fee guide in the current year. In Alberta, the dental fee guide established by the insurer will be used.

Optional life insurance

Effective the first of the month following ratification, the maximum eligible amount will be increased from \$125,000 to \$150,000.

Short-term Disability - Sickness and Maternity Leave Benefits

Effective the first of the month following ratification, the short-term disability weekly maximum increases from \$680 to \$690 for new claims.

Effective January 1, 2016, the maximum increases to \$700 for new claims.

Effective January 1, 2017, the maximum increases to \$710 for new claims.

Effective January 1, 2018, the maximum increases to \$720 for new claims.

YOUR UNIFOR COUNCIL 4000 BARGAINING COMMITTEE



JERRY DIAS
National President,
Unifor



PETER KENNEDY
Secretary-Treasurer,
Unifor



BOB ORR
Assistant to the
President, Unifor



BRIAN STEVENS
National Rail Director



BOB FITZGERALD
National Representative



MYRIAM GERMAIN
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COREY VERMEIJ
National Health
Care Director



BARRY KENNEDY
President Council 4000



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Local 4001
Mountain Region



DAVE KISSACK
Local 4002
Prairie Region



JARED WHITE
Local 4003
Great Lakes Region



SERGE AUGER
Local 4004
St. Lawrence Region



JENNIFER MURRAY
Local 4005
Atlantic Region



WESLEY GAJDA
Regional Representative
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