

IN THE MATTER OF AN INTEREST ARBITRATION

BETWEEN:

CANADIAN PACIFIC KANSAS CITY RAILWAY

(the “Employer”, the “Company” or “CPKC”)

AND:

TC LOCAL 1976 OF THE UNITED STEELWORKERS

(the “Union”)

ARBITRATOR:

Vincent L. Ready

COUNSEL:

Lauren McGinley  
and David E. Guerin  
for the Employer

Josée Asselin  
and Nancy Lapointe  
for the Union

HEARING:

January 8, 2024  
Vancouver, BC

DECISION:

March 5, 2024

33827

This matter pertains to an interest arbitration to set the terms and conditions of the parties' renewed Collective Agreement. The Collective Agreement at issue expired on December 31, 2022.

The parties agree I have the requisite jurisdiction to make this Award pursuant to an Interest Arbitration Agreement signed by the parties and dated December 11, 2023.

## **BACKGROUND**

The Canadian Pacific Kansas City Limited (the "Employer" or "CPKC") is a public company which owns and operates a transcontinental freight railway in Canada, the United States, and as of 2023, Mexico.

The Local 1976 of the Steelworkers has two bargaining units with the Employer: Unit No. 1 comprised of approximately 450 employees holding clerical manual positions and Unit No. 2 comprised of approximately 25 members holding positions as Police Dispatchers.

On February 2, 2023, the parties signed off the terms of a renewal agreement in a document they called MOA #1 which was signed in Toronto. In it, the parties negotiated a two-year term with wage increases of 3.25% and 3% in the respective years. Amongst other things, the parties agreed in a letter at page 29 to a process to align the Police Communications Centre Collective Agreement with the larger Mainline Collective Agreement.

The Union bargaining committee recommended acceptance of MOA #1. However, while members of the Police Communications Centre ratified the agreement, the members of the Union Mainline component rejected it.

Following that, the parties continued to negotiate and in September 2023, the Company proposed a three-year term with wage increases of 3.25% on January 1, 2023, 3% on January 1, 2024 and 3% on January 1, 2025.

The Union at the time advised the Employer that it would not recommend acceptance of the September proposed agreement; however, it did ultimately submit it to the membership as a final offer. The membership similarly rejected it.

It is against that matrix of facts that the parties decided to refer their dispute to interest arbitration. While the parties were able to agree on a number of matters during negotiations, they were unable to agree on wage increases and the duration of the Collective Agreement.

## **PRINCIPLES APPLICABLE TO INTEREST ARBITRATION**

Before delving into the parties' respective positions on the two outstanding issues, I will deal with the guiding principles of interest arbitration which are not disputed by either party in the present case.

The "guiding principles for interest arbitration" were well-explained by Arbitrator McPhillips in *Nelson (City) v. Nelson Professional Fire Fighters' Assn (Wages Grievance)*, [2010] B.C.C.A.A.A. No. 174:

**6** ....**First, replication is the desired outcome and that refers to the notion that an interest arbitration board should attempt to duplicate what the parties themselves would have arrived at if they had reached an agreement on their own.** In *City of Vancouver and Vancouver Fire Fighters, Local 18*, [2001] B.C.C.A.A.A. No. 49, Arbitrator Korbin determined that "the guiding arbitral principle in interest arbitration is the replication theory – an award should replicate what the parties would have concluded themselves, had they successfully settled their collective bargaining dispute. This is a principle which arbitrators have long accepted." Similarly, in *Board of School Trustees, School District No. 1 (Fernie) and Fernie District Teachers Association*, 8

L.A.C. (3d) 157, Arbitrator Dorsey stated, at p. 159 that “...the task of an interest arbitrator is to simulate or attempt to replicate what might have been agreed to by the parties in a free collective bargaining environment where there may be the threat and the resort to a work stoppage in an effort to obtain demands...and arbitrator’s notions of social justice or fairness are not to be substituted for market and economic realities”. That principle has been adopted in numerous other awards: *Vancouver Police Board and Vancouver Police Union* [1997] B.C.C.A.A.A. No. 621 (Lanyon); *City of Burnaby and Burnaby Fire Fighters Union, Local 23*, [2008] B.C.C.A.A.A. No. 220 (Gordon); *Beacon Hill Lodges of Canada*, 19 L.A.C. (3d) 288 (Hope); *Corporation of City of Calgary and IAFF, Local 255*, December 22, 1999 (Tettensor); *City of Regina and Fire Fighters Association, Local 181*, September 21, 2005 (Paus-Jenssen); *City of Richmond and Richmond Fire Fighters Association*, [2009] B.C.C.A.A.A. No. 106 (McPhillips); *City of Vancouver and Vancouver Fire Fighters Union, Local 18*, [2008] B.C.C.A.A.A. No. 182 (Korbin).

**7** A second principle **the requirement to be “fair and reasonable” in the sense that the award must fall within a “reasonable range of comparators” even if one party could have imposed more extreme terms.** *City of Vancouver and Vancouver Fire Fighters* (2001), *supra*; *Yarrow Lodge Ltd.*, (1993) 21 C.L.R.B.R. (2d) 1 (B.C.L.R.B.); *Vancouver Police Board* (1997), *supra*; *City of Richmond and Richmond Fire Fighters Association*, *supra*; *City of Campbell River and Campbell River Fire Fighters Association (I.A.F.F., Local 1668)*, October 19, 2005 (Gordon); *City of Burnaby and Burnaby Fire Fighters* (2008), *supra*; *City of Regina and Regina Professional Fire Fighters’ Association, Local 181 (IAFF)*, (2005), *supra*; *City of Moose Jaw and Moose Jaw Fire Fighters’ Association, IAFF Local 553*, August 30, 2007 (Paus-Jenssen); *McMaster University and McMaster University Faculty Association*, 13 LAC (4<sup>th</sup>) 199 (Shime); *Temiskaming Lodge and Canadian Union of Public Employees*, September 11, 2007 (Shime); *Governing Council of the University of Toronto and the University of Toronto Faculty Association*, March 27, 2006 (Mr. Justice Winkler); *City of Vancouver and Vancouver Fire Fighters’ Union, Local 18*, (2008) *supra*; *City of Vancouver and Vancouver Fire Fighters’ Union Local 18*, (2001) *supra*.

**8** Third, the exercise **of interest arbitration has been described as a “conservative process”** and that it **“ought to supplement and assist the parties’ collective bargaining relationship and not unravel or depart from it”**: *City of Campbell River and Campbell River Fire Fighters Association*, *supra*, at pa. 18, see also: *Vancouver Police Board and Vancouver Police Union*, (1997), *supra*; *City of Vernon and Vernon Fire Fighters*

*Association, Local 1517, [1995] B.C.C.A.A.A. No. 432*, December 28, 1995 (Hope); *Okanagan Mainline Municipal Labour Relations Association and International Association of Fire Fighters, Locals 953, 1339 and 1746*, 6 L.A.C. (4<sup>th</sup>) 323 (Hope); *City of Vancouver and Vancouver Fire Fighters Union, Local 18 (2001)*, *supra*; *City of Burnaby and Burnaby Fire Fighters Union, Local 323 (2008)*, *supra*; *City of Vernon and Vernon Fire Fighters Association, IAFF Local 1517, [1999] B.C.C.A.A.A. No. 182* (Hope). In his 1995 decision in *City of Vernon and Vernon Fire Fighters, Local 1517, supra*, Arbitrator Hope stated, at paragraph 76, that “**interest arbitration is not an appropriate medium for the imposition of fundamental changes in collective agreement relationships...**”. Similarly, in *Okanagan Mainline Municipal Labour Relations Association and IAFF Locals 953, 1399 and 1746, (1997) supra*, Arbitrator Hope stated, at page 43, that “it is trite for me to observe that **interest arbitration holds little potential for innovation. Interest arbitrators are enjoined to replicate the collective bargaining process. Thus, it is predictable, and perhaps inevitable, that they will follow bargaining trends, not set them**”.

9 Fourth, as a result of this reluctance to innovate, **historical patterns of negotiated settlements between the parties will carry significant weight**: *City of Richmond and Richmond Fire Fighters Association (2008)*, *supra*; *District of Chilliwack and Chilliwack Fire Fighters Association (1999)*, *supra*; *City of Vancouver and Vancouver Fire Fighters Union Local 18 (2001)*, *supra*; *City of Burnaby and Burnaby Fire Fighters Union, Local 323, (2008)*, *supra*; *City of Vernon and Vernon Fire Fighters Association, Local 1517, [1995] B.C.C.A.A.A. No. 432* (Hope). It is well established that interest arbitrators will attempt to respect historical relationships and the party seeking to disrupt that “voluntarily negotiated historical pattern” will have to identify persuasive reasons for doing so: *Kootenay Boundary (Regional District) and Trail Firefighters Association, Local 9411 [2009] B.C.C.A.A.A. No. 173, No. A32/09* (Gordon).

[emphasis added]

In the seminal case *Beacon Hill Lodges of Canada v. H.E.U.* (1985), 19 L.A.C. (3d) 288, Arbitrator Hope described the replication principle as follows:

62 The replication approach, or, as Professor J. M. Weiler describes it, the attempt to simulate the agreement the parties would have reached in bargaining under sanction of a lock-out or strike, relies on a market test which consists of assessing

collective agreements in relationships in which similar work is performed in similar market conditions. The terms and conditions of employment thus derived are, as stated, referred to as the prevailing standard or prevailing rate.

Arbitrator Dorsey similarly described the task of the interest arbitrator in *Board of School Trustees, School District No. 1 (Fernie) and Fernie District Teacher's Association* (1982), 8 L.A.C. (3<sup>rd</sup>) 157 (Dorsey) as follows:

There seems to be a consensus in British Columbia that the task of an interest arbitrator is to simulate or attempt to replicate what might have been agreed to by the parties in a free collective bargaining environment where there may be the threat and resort to a work stoppage in an effort to attain demands. This consensus accepts that an arbitrator's notions of social justice or fairness are not to be substituted for market and economic realities.

In *Penticton (City) v. Penticton Fire Fighters' Assn., Local 1399 (Interest Arbitration Grievance)*, [2015] B.C.C.A.A.A. No. 75, Arbitrator McPhillips elaborated that an interest arbitration board applying the replication principle must have regard to a number of factors including demonstrated need and comparability:

63...an interest arbitration board should attempt to replicate what the parties themselves would have agreed to if bargaining had resulted in an agreement. (citations omitted). In a recent decision from the Ontario Divisional Court in *Corporation of the Town of Ajax v. Ajax Professional Fire Fighter Association (#49)*, the Court stated:

50 The parties agree that the starting point in any interest arbitration is the replication principle – the interest arbitration board must attempt to discern what the parties to the collective agreement would likely have achieved in a free strike/lockout bargaining environment given all of the prevailing circumstances. In this exercise, an interest arbitration board can have regard to a number of factors including demonstrated need and comparability.

51 In respect of demonstrated need, the Town relies on the following observations in *Brandt Centre Long-Term Care Residence v. Ontario Federation of Health Care Workers, L.I.U.N.A., Local 110*, 2011 CanLII 81923 (ON LA) at para.9:

It is generally accepted in interest arbitration that a party seeking to change provisions of a collective agreement should come forward to demonstrate a need for the change, as there is a presumption that such need will be a significant force in driving the bargaining agenda where the strike/lockout weapon is otherwise available. Without such “demonstrated need”, however, there is little urgency moving the parties to maintain a position leading to or continuing a strike/lockout situation.

I have applied these principles set out above to determine the appropriate terms for a renewed Collective Agreement and to bring an end to the present collective bargaining dispute.

I now turn to the positions of the parties on the two outstanding issues, which were provided to me in a clear and well thought out manner by Counsel in their respective briefs, and for which I am thankful. First, I summarize the positions, and then I provide my ruling on each of the issues.

## **POSITIONS OF THE PARTIES**

### **Term of Agreement**

The Union strongly urges me to award a two-year term. It points to the recent arbitration award issued between the Company and the Teamsters as well as the Company’s collective agreement with Unifor in support of its position.

Further, the Union observes that both parties initially had a common position that the Collective Agreement should have a duration of two years, and that they remained focused on a two-year agreement prior to the impasse. According to the Union, this fact is a replicative guide as to what the parties would have likely agreed to in free collective bargaining.

In the Union's submission, the three-year agreement proposed by the Employer would effectively isolate this Collective Agreement from other collective agreements with a two-year term which would break the historic patterns between those historic comparators and prejudice the Union in future negotiations.

As well, it is asserted by the Union that ordering a three-year agreement would play havoc with Letter of Understanding #29 (LOU #29) which was negotiated for the purpose of merging the terms and conditions of the TC Local 1976 and the Police Communications unit, bearing in mind the Police Communications Centre bargaining unit accepted the proposed Memorandum dated February 2, 2023.

The point being made by the Union here is that the objectives set out in LOU #29 would be difficult to achieve if the Police Communications unit Collective Agreement expires one year prior to the TC Agreement.

The Company, on the other hand, urges me to award a three-year term rather than two years, so as to provide stability to the organization and to the affected employees. In doing so, it is the Employer's submission I ought to award the terms and conditions set out in the Memorandum of Agreement reached by the parties in September 2023 – which it notes was for a period of three years.



In support of its position, the Employer points to other three-year collective agreements it has signed, including its agreement with CPPA and RCTC.

### **Wage Increases**

It is the position of the Union that I should look favourably at its proposal of 6% in each year of a two-year collective agreement.

According to the Union, its proposal addresses the wage gaps between its members and other groups of employees within the same industry. As well, the Union asserts that its wage proposal will alleviate the corrosive impact of inflation and protect the purchasing power of its members.

The Union points to other comparators such as CN and dispatchers represented by other unions' collective agreements with the Company to support its proposal of 6% in each year of the renewed collective agreement.

The Employer argues strenuously against the Union's wage proposal of 6% per year over two years and asserts I ought to seriously consider its proposals as presented in September 2023, which was for a three-year term with wage increases of 3.25% on January 1, 2023; 3% on January 1, 2024; and 3% on January 1, 2025.

It is also argued by the Employer that when viewed objectively the overall offers made to the Union had numerous other increases in benefits; increases in start rates; shift differentials and night premiums; without requiring or gaining any concessions from the Union.

Finally, the Employer counters the Union's cost of living argument by pointing out that over the past 15 years (2007 to 2021) the Union has

negotiated wage increases amounting to 15.7% over the cost of living for the same period.

## **DECISION**

As set out above, the parties negotiated and recommended acceptance of a two-year agreement on February 2, 2023, that was ultimately rejected by the TC group, but accepted by the Police unit.

It is always a daunting task for an interest arbitrator to divine a collective agreement in cases like the present one when the parties have reached a tentative agreement, and one party fails to deliver a ratification of the negotiated deal.

I say that because, as a general rule, in collective bargaining, an employer usually makes its best and final offer to a union when it receives assurances from the union bargaining committee that it will recommend acceptance of the package to its membership.

Another factor to be considered by this Board is the principle of replication. It is clear to me after listening to and reviewing the submissions of the parties, that they have had a lengthy and professional bargaining relationship dating back decades and they have always been successful in freely negotiating collective agreements during this time.

In the present case, it is undisputed that the parties came to a freely negotiated Memorandum of Settlement in February 2023 which, in my view by comparison to other settlements, was fair and reasonable in the circumstances.

By that I mean the term of two years was consistent and comparable to other major settlements within the CPKC group of companies.

Further, it is evident the wage increases contained in the February 2023 Memorandum of Settlement were equal to, if not better than, other settlements within the Employer and the industry more generally – in particular, when the additional benefits are factored in, such as increases in start rates; shift differentials; and night premiums and other improvements negotiated between the parties.

For reasons set out above, and consistent with the general principles of interest arbitration, I find the terms and conditions set out in the February 2, 2023 Memorandum of Settlement provide the best indicator of what the parties would have agreed upon in collective bargaining.

In the result, I award those terms and conditions set out in Appendix A to this Award which, by reference, forms part of this Award.

It only remains for me to thank the participants who appeared before me for their candour and cooperation throughout these hearings.

I shall retain the necessary jurisdiction to assist the parties, if necessary, in the implementation and application of my award.

It is so awarded.

Dated at the City of Vancouver in the Province of British Columbia this 5<sup>th</sup> day of March, 2024.



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Vincent L. Ready

# **APPENDIX A**

**1. TERM OF CONTRACT**

The Collective Agreement between the Company and all employees represented by the Union and referred to herein will be renewed for a period of two (2) years commencing January 1, 2023 through to December 31, 2024. Unless otherwise specified herein, any amendment herein applies to all employees represented by the Union.

The terms and conditions of the Collective Agreements referred to herein will be amended to read.

This Agreement shall remain in effect until December 31, 2024 and thereafter; subject to 120 days advanced notice in writing from either party to the other of their desire to revise, amend or terminate it. Such notice may be served at any time subsequent to May 1, 2024.

**2. WAGES**

It is understood that the following rate increases are in reference to wage rates only and do not apply to any other payments such as shift differentials, or any other payments not explicitly mentioned herein.

**A. Wages will be adjusted as follows:**

- a) Effective January 1, 2023, increase by 3.25% the rates in effect on December 31, 2022.
- b) Effective January 1, 2024, increase by 3.00% the rates in effect on December 31, 2023.

**B.** Provide Skilled Trades Recognition Premium of \$0.25 effective January 1, 2023 and an adjustment of \$0.25 effective January 1, 2024 to Top Lift Operators (Intermodal Lift Operators.)

**C. Starting Rates**

Amend Article 6 of the mainline Collective Agreement and Article 4 of the Police Communications Collective Agreement to read:

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

Employees with less than 120 days of cumulative compensated service (CCS) will be at 90% of the job rate, thereafter at 100% of the job rate.

- (b) Group levels and basic hourly S.E.S Group Rates of Pay to be updated to reflect the GWI rates agreed to herein.

#### D. Shift Differential

Amend Article 8 of the mainline Collective Agreement to read:

8.4 Employees whose regularly assigned shifts commence between 1400 and 2159 hours shall receive a shift differential of \$1.15 per hour in 2023 and \$1.50 per hour in 2024.

Employees whose regularly assigned shifts commence between 2200 and 0559 hours shall receive a shift differential of \$1.50 per hour in 2023 and \$2.00 per hour in 2024.

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.

**Note:** it is understood that when an employee works an overtime shift they remain entitled to the applicable shift differential rate in effect for that shift.

#### E. Income Security Agreement:

Amend Article 6 of the mainline Income Security Agreement

Increase relocation monetary components referred to therein by 5% to account for inflation (6.4, 6.5, 6.8(a), 6.8(c)(ii), 6.9(a), 6.10(a), 6.10(b).)

Amend Article 4 of the Police Communications Centre (PCC) Income Security Agreement

Increase relocation monetary components referred to therein by 5% to account for inflation (4.4, 4.5, 4.8(a), 4.8(c)(ii), 4.9(a), 4.10(a), 4.10(b).)

### 3. BENEFITS

#### Plan Amendment Document

Upon final settlement and effective thirty (30) days following the ratification of this Agreement, the appropriate documents will be updated to reflect the following benefit terms.

#### Dental Plan

Modify the provision concerning covered expenses as follows:

- a) Effective with treatment which commenced on or after January 1, 2023 covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2023.

- b) Effective with treatment which commenced on or after January 1, 2024 covered expenses will be defined as the amounts in effect on the day of such treatment, as specified in the relevant provincial Dental Association Fee Guides for the year 2024.
- c) Effective January 1, 2023, increase the annual maximum from \$1,825 to \$2,150.
- d) Effective January 1, 2024, increase the annual maximum from \$2,150 to \$2,200.

#### **Disability Benefits**

- a) Effective January 1, 2023, the maximum benefit will be increased from \$760 to \$835.
- b) Effective January 1, 2024, the maximum benefit will be increased from \$835 to \$845.

#### **Life Insurance**

- a) Effective January 1, 2023, the group life insurance coverage will be increased from \$56,000 to \$57,000 for employees who have service with the Company on or subsequent to that date.
- b) Effective January 1, 2024, the group life insurance coverage will be increased from \$57,000 to \$58,000 for employees who have service with the Company on or subsequent to that date.
- c) Increase optional spousal life insurance – provide employees the option to increase spousal life insurance up to a maximum of \$250,000.00.

#### **Improvements to the Benefits Plan**

- a) Increase maximum lifetime benefit to \$90,000.
- b) Provide for Substance Abuse Rehabilitation Centre benefit \$10,000 lifetime maximum to form part of the overall lifetime maximum.
- c) Provide for Infertility drug coverage at 50% to a maximum of \$3,000 per lifetime and Erectile Dysfunction drug coverage at 50% to a maximum \$1,000 per calendar year as prescribed.
- d) Provide for Speech Therapist coverage at 80%, \$500 combined with other eligible practitioners per year.
- e) Provide for preventative vaccines at 80% including: hepatitis, tetanus, diphtheria, malaria, meningitis, and typhoid.
- f) Increase hearing aids to a maximum of \$500 per five years.

g) Vision Coverage increase of \$50.00 effective January 1, 2023.

#### **Emergency Travel Medical Insurance**

h) 100% reimbursement up to \$1,000,000 for maximum trip duration of 90 days (Note: this maximum is separate from Extended Health Lifetime Maximum).

#### **Benefits General**

Effective thirty (30) days following ratification of this Agreement, or as soon thereafter as it may be arranged, the various contracts and policies provided in the Employee Benefit Plan Supplemental Agreement and attached as Appendices to the Dental Plan and the Extended Health & Vision Care Plan, will be amended in conformity with the aforementioned changes.

#### **4. WORK RULES**

**Attachment A:** Amended work rules pertaining to the mainline Collective Agreement – page 8

**Attachment B:** Amended work rules pertaining to the Police Communications Centre (PCC) Collective Agreement – page 11.

**Attachment C:** Intermodal

- Appendix A-XX page 12 – Amend the language of the mainline Collective Agreement to provide for permanent insourcing at Vaughan Intermodal Facility and Lachine Intermodal Facility

**Attachment D:** Modernization of the Collective Agreements

- Appendix A-XX page 26 - Amend Current Appendix A-53 of the mainline Collective Agreement.
- Letter of Understanding page 29 – Police Communications Centre Collective Agreement.
- Letter of Understanding page 30 – Errors and Omissions.

#### **5. DURATION**

Unless otherwise referred to herein, all other Union and/or Company proposals are withdrawn in their entirety and this Agreement (including all Supplemental Agreements) shall remain in effect until December 31, 2024.



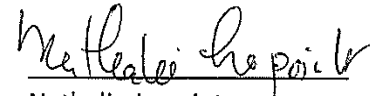
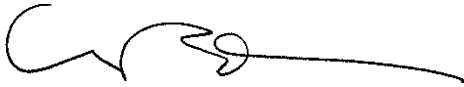
SIGNED AT Toronto, Ontario this 2 day of February, 2023.

For Canadian Pacific Railway:

For USW:

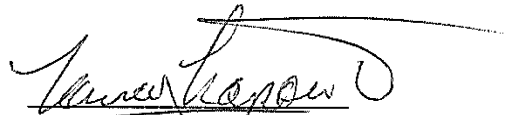
For Canadian Pacific Railway:

For USW:



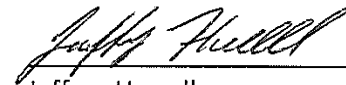
Myron Becker  
Chief Labour Officer  
Canadian Pacific

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

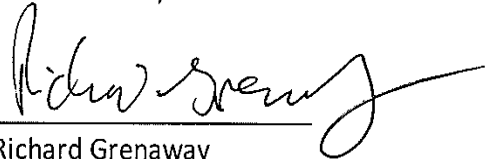


Dave Guerin  
Managing Director, Labour Relations  
Canadian Pacific

Nancy Lapointe  
Vice President / Financial  
Secretary  
TC Local 1976, USW



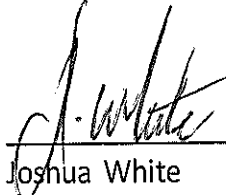
Jeffrey Howell  
Chair, Board of Trustees  
TC Local 1976, USW



Richard Grenaway  
Unit 951 President  
TC Local 1976, USW

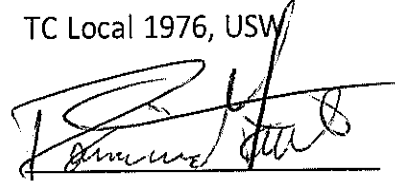


Michel De Blois  
Unit 1290 President  
TC Local 1976, USW



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Joshua White  
Unit 891/891b/892 President  
TC Local 1976, USW



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Dominic Gauthier  
Unit 1290 Steward  
TC Local 1976, USW

## **ATTACHMENT A – mainline Collective Agreement Work Rules**

The following addresses rule proposals agreed to during negotiations that resulted in this two (2) year tentative agreement as they apply to the craft of employees specifically referred to herein.

### **A. Investigation and Discipline**

Add the following provisions from the Police Communications Centre Collective Agreement to Article 27:

- 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.

### **B. Grievance Procedure**

Amend Article 28 of the mainline Collective Agreement to read:

- 28.1 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 through the Company designated electronic system 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 through the Company designated electronic system 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 through the Company designated electronic system, 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 through the Company designated electronic system, 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 through the Company designated electronic system within 42 calendar days following receipt of the decision in Step 2, or the due date of such decision if not received.

**C. Housekeeping**

- Update Article 6 S.E.S Positions and Locations in mainline Collective Agreement.
- Amend APPENDIX A-51 in mainline Collective Agreement to include Service Representative and correct spelling for Perishable Inspector.
- Amend LTD Plan references in the Collective Agreement to Employee Life and Health Trust (ELHT).
- Amend Article 13 in mainline Collective Agreement to remove the following:

Nova Scotia:

Easter Monday

Remembrance Day

New Brunswick:

New Brunswick Day (the first Monday in August)

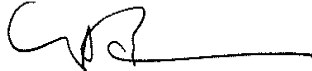
Remembrance Day

If the Government of Canada designates Heritage Day or such other day as a general holiday, the day so designated by the Government shall be substituted for the 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.

- Amend Article 5.3(b) of the Income Security Agreement to extend the provisions of Article 5.3(b) to employees who are affected by changes made under Article 1.1(a), provided they meet the eligibility requirements of the Article.

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

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**ATTACHMENT B – Police Communications Centre Collective Agreement Work Rules**

The following addresses rule proposals agreed to during negotiations regarding operations of the Police Communications Centre (PCC) and its Collective Agreement that result in this **two (2)** year tentative agreement:

It is the desire of the parties to bring alignment between the Police Communications Centre Collective Agreement and the mainline Collective Agreement.

**A. Investigation and Discipline**

Amend Article 19 to match the language of the mainline Collective Agreement.

**B. Grievance and Arbitration**

Amend Article 20 to match the language of the mainline Collective Agreement.

**C. Housekeeping**

- Amend Article 4 as follows:
  - Remove reference to the starting rate of 85% as per 2017 Memorandum of Settlement.
  - Remove Article 4.3 and Article 4.4.

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

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**ATTACHMENT C  
APPENDIX A-XX**

**Intermodal Insourcing – Vaughan Intermodal Terminal and Lachine Intermodal Terminal**

The Company has expressed the desire to continue to insource Vaughan and Lachine Intermodal work subject to the conditions outlined herein. This understanding demonstrates the Company is agreeable to USW represented employees to perform work it might otherwise contract out. This understanding is also subject to the Union demonstrating that the work continues to be performed in a timely manner that is safe, economically viable and of a satisfactory quality.

The agreement to insource work at the Vaughan Intermodal Terminal and Lachine Intermodal Terminal will now form part of the mainline Collective Agreement, and include the following letters:

1. June 15, 2020 with regards to the insourcing of Perishable Protective Services (PPS) work to be performed at the Vaughan Intermodal Facility,
2. August 11, 2020 with regards to the insourcing of Shunt Truck and Shunt Truck Equipment Maintainer work to be performed at the Vaughan Intermodal Facility, and
3. July 13, 2021 with regards to the insourcing of Shunt Truck work to be performed at the Lachine Intermodal Facility.

Unless otherwise referred to within, all other provisions of the mainline Collective Agreement will apply to employees governed by this letter.

When the mainline Collective Agreement is revised, all applicable Articles will be updated to include reference as noted within this Appendix.

**Craft Designations**

Article 6.5 SES Job Group Table of the mainline Collective Agreement will be updated to include new jobs and amended job titles as follows:

- The designation of Top Lift Operator will be changed to Intermodal Lift Operator.
- The designation of Shunt Truck Operator will be changed to Intermodal Hostler Operator and will be added to the SES Job Group Table at Level 6.
- The position of PPS Labourer will be added to the SES Job Group Table at Level 6.
- Appendix A-51 will be updated to include these designations.

## Eligibility

1. Employees who are permanently assigned will be allowed to bid to higher rated permanent vacancies under the Collective Agreement should they become available.
2. Should there be no applicants, unless otherwise mutually agreed the following shall apply.
  - a) The junior, qualified, trained unassigned employee from the seniority list in the department at the work location will be awarded the position.
  - b) Should there be no junior, qualified and trained employee, then the junior unassigned employee at the work location will be awarded the position.
3. Article 17 of the mainline Collective Agreement will be amended to include the following clause:

The Company may continue to contract out all equipment maintenance pertaining to insourcing at Vaughan Intermodal Facility or Lachine Intermodal Facility and no grievance shall be filed as a result.

4. Amend Article 24 of the mainline Collective Agreement – add new clauses pertaining to the insourcing at Vaughan Intermodal Facility or Lachine Intermodal Facility as follows:

### **Intermodal Insourcing – Vaughan Intermodal Facility and Lachine Intermodal Facility**

24.7 The Company, at its discretion, may assign employees to perform the duties of other classifications as necessary to support the business.

- a) Employees who are permanently assigned to a classification and who are assigned to other classifications will receive the rate of pay of that classification for the duration of their assignment if the classification is at a higher rate. If the assignment is to the other classification is at a lower rate, then employee will receive the rate of pay of their permanently assigned classification.

## Training

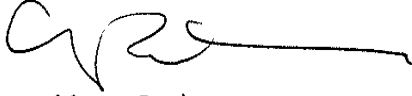
Add new clauses to the mainline Collective Agreement pertaining to the insourcing at Vaughan Intermodal Facility or Lachine Intermodal Facility – Article 24.7 – continuing from above:

- c. Training will be provided for eligible employees and will be scheduled at the Company's discretion in a manner to meet needs of the business.



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

Sincerely,

A handwritten signature in black ink, appearing to read 'Myron Becker', with a long horizontal line extending to the right.

Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW



*Labour Relations*

7550 Ogden Dale Road SE  
Calgary, Alberta

[www.cpr.ca](http://www.cpr.ca)

June 15, 2020

VIA EMAIL

Mr. S. Hadden  
President – TC Local 1976, USW  
2360 de LaSalle Room 202  
Montreal, QC. H1V2L1

Dear Sir,

This letter is in reference to discussions between the parties in regards to the insourcing of Perishable Protective Services (PPS) work to be performed exclusively at the Company's Vaughan Intermodal Facility on a trial basis. The parties have expressed the desire for the United Steelworkers (USW) to perform the work, subject to the conditions set forth herein. Additionally, this understanding demonstrates the Company is committed to the USW performing this work that it might otherwise contract out and is subject to the union demonstrating the work can be performed in a timely fashion that is efficient, economical and is of satisfactory quality.

This comprehensive proposal for a temporary/ trial agreement between the USW and CP to have unassigned USW employees at the Vaughan Intermodal Facility perform PPS work and insource work that is currently performed by contractor TOPLIFT PPS. This agreement reached with the USW to insource work will be on a trial basis only.

Therefore the parties agree to the following:

#### **Eligibility**

1. This agreement will be offered in seniority order to employees who currently occupy an Unassigned Employee (Spare Employee) role at the Vaughan Intermodal Facility. This is defined as an employee who does not hold a permanent position by bulletin and who reports for duty as required.
2. Ten (10) positions will be bulletined for bid as PPS Labourer positions, to start, concurrent with the departure of the current contractor. Additional positions may be added at the discretion of the Company. Once awarded a position, employees will be held in the PPS Labour positions for a minimum of 30 days. Any time held into the position over 30 days will be subject to the provisions of the Collective Agreement.
3. Employees who are permanently assigned as a PPS Labourer will be allowed to bid to higher rated permanent vacancies under their Collective Agreement should they become available.
4. Should there be no applicants, unless otherwise mutually agreed the following shall apply.
  - a) The junior, qualified, trained unassigned employee from the seniority list in the department at the work location will be awarded the position.



- b) Should there be no junior, qualified and trained employee, then the junior unassigned employee at the work location will be awarded the position.
  - c) Should a dispute arise between the parties in relation to the bidding process for the positions outlined in this agreement, either party may raise their concerns to the labour adjustment committee for resolution.
5. The Company, at its discretion, may assign those in the PPS Labourer roles to perform the duties of other classifications as necessary to support the business. Employees who are permanently assigned as a PPS Labourer and who are temporarily assigned to other classifications will receive the rate of pay of that classification for the duration of their temporary assignment.
  6. Any spare or unassigned employees who have not been awarded PPS labourer work under this agreement may be temporarily assigned, in accordance with this Agreement and the Collective Agreement, as necessary to perform PPS work at the discretion of management. Those employees who are temporarily assigned PPS work will receive the PPS rate of pay as outlined herein for the duration of their temporary assignment and have no claim to the work performed as a PPS Labourer.
  7. Any permanent & regularly assigned employees not assigned to perform PPS labourer work under this agreement may be temporarily assigned as necessary to perform such work at the discretion of management. Those employees who are temporarily assigned PPS work will receive the rate of pay of their permanent & regularly held position for the duration of their temporary assignment and will have no claim to the work performed as a PPS Labourer.

#### **Pay**

8. The position of PPS Labourer will be paid at SES Level 1 as outlined in Article 6.4 of the Collective Agreement at a rate of \$25.236 per hour.

#### **Training**

9. Training will be provided for eligible employees and will be scheduled at the Company's discretion in a manner to meet needs of the business.
10. If it is determined by management that an employee is unsafe or incapable of properly performing the duties of the role they will be disqualified from the position outlined in this agreement and will be restricted from bidding any work under this agreement.

#### **General**

11. The new positions established under this agreement are not intended to be utilized to reduce the straight time and/or overtime to which regular assigned employees would otherwise perform. However, the positions outlined herein may be utilized to assist the regular assigned employees in the performance of work but will not supplant the regular assigned positions.





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12. The parties agree that in the event there is a reduction in forces at the Vaughan Intermodal Facility, employees will be required to exercise their seniority under the Collective Agreement and Income Security Agreement to PPS labourer positions before being eligible to claim benefits under the Income Security Agreement.
13. This agreement is on a trial basis and will be in effect until March 1, 2021, but may be extended by mutual agreement. The parties will meet within 90 calendar days following the signing of the agreement to discuss the implementation and work outlined herein. In the event that this agreement is extended by the parties, it is understood it will be extended concurrent with the USW Collective Agreement expiring December 31, 2022.
14. It is expressly understood that this agreement is made on a trial basis and the Union has no entitlement or ownership of the work being performed by bargaining unit employees as it relates to performing the work of a PPS Labourer.
15. Notwithstanding the provisions of paragraph 13 above, this Agreement is made on a without prejudice and without precedent basis and may be cancelled by either party with ninety (90) calendar days written notice. In the event this agreement is cancelled no benefit entitlements will be afforded to any employee.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Myron Becker'.

Myron Becker  
Chief Labour Officer  
Canadian Pacific

I concur:

A handwritten signature in black ink, appearing to read 'Steven Hadden'.

Steven Hadden  
President,  
TC Local 1976, USW



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7550 Ogden Dale Road SE  
 Calgary Alberta  
 Canada T2C 4X9

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August 11, 2020

VIA EMAIL

Mr. S. Hadden  
 President – TC Local 1976, USW  
 2360 de LaSalle Room 202  
 Montreal, QC. H1V2L1

Dear Sir,

This letter is in reference to discussions between the parties in regards to insourcing of Shunt Truck and Shunt Truck Equipment Maintainer work to be performed exclusively at the Company's Vaughan Intermodal Facility on a trial basis. The parties have expressed the desire for the United Steelworkers (USW) to perform the work, subject to conditions set forth herein. Additionally, this understanding demonstrates the Company is committed to the USW performing this work that it might otherwise contract out and is subject to the Union demonstrating the work can be performed in a timely fashion that is efficient, economical and is of satisfactory quality.

This comprehensive proposal for a temporary/ trial agreement between the USW and CP to have unassigned USW employees at the Vaughan Intermodal Facility perform Shunt Truck & Equipment Maintenance work and insource work that is currently performed by contractor Parsec Inc. This agreement reached with the USW to insource work will be on a trial basis only.

Therefore the parties agree to the following:

#### Eligibility

1. Shunt Truck positions will be offered in seniority order to employees who currently occupy an Unassigned Employee (Spare Employee) role at the Vaughan Intermodal Facility. This is defined as an employee who does not hold a permanent position by bulletin and who reports for duty as required.
2. Thirteen (13) positions will be bulletined for bid as Shunt Truck Driver positions, to start, concurrent with the departure of the current contractor. Additional positions may be added at the discretion of the Company. Once awarded a position, employees will be held in the Shunt Truck Driver positions for a minimum of 30 days. Any time held into the position over 30 days will be subject to the provisions of the Collective Agreement.
3. Shunt Truck Equipment Maintenance positions will be first offered to the Parsec employees who are currently performing this work. If accepted, these employees will be represented by the USW for the duration of this agreement. If vacancies occur, Shunt Truck Equipment Maintenance positions will be offered to qualified employees in seniority order at the Vaughan Intermodal Facility.



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4. Two (2) incumbents who currently occupy the position of maintainers for Shunt Truck Equipment will be retained concurrent with the departure of the current contractor for a period of one (1) year. During the year period in which the incumbent equipment maintainers are retained the Union and Company will work towards a permanent plan and agreement with respect to the insourcing of Shunt Truck Equipment Maintenance.
5. Employees who are permanently assigned a position under this agreement will be allowed to bid to higher rated permanent vacancies under their Collective Agreement should they become available.
6. Should there be no applicants, unless otherwise mutually agreed the following shall apply.
  - a) The junior, qualified, trained unassigned employee from the seniority list in the department at the work location will be awarded the position.
  - b) Should there be no junior, qualified and trained employee, then the junior unassigned employee at the work location will be awarded the position.
  - c) Should a dispute arise between the parties in relation to the bidding process for the positions outlined in this agreement, either party may raise their concerns to the labour adjustment committee for resolution.
7. The Company, at its discretion, may assign those in the Shunt Truck Driver or Shunt Truck Equipment Maintainer roles to perform the duties of other classifications as necessary to support the business. Employees who are permanently assigned as a position and who are temporarily assigned to other classifications will receive the rate of pay of that classification for the duration of their temporary assignment.
8. Any spare or unassigned employees who have not been awarded Shunt Truck Driver work under this agreement may be temporarily assigned, in accordance with this Agreement and the Collective Agreement, as necessary to perform Shunt Truck Driver work at the discretion of management. Those employees who are temporarily assigned Shunt Truck work will receive the Shunt Truck Driver rate of pay as outlined herein for the duration of their temporary assignment and have no claim to the work performed as a Shunt Truck Driver.
9. Any permanent & regularly assigned employees not assigned to perform Shunt Truck Driver work under this agreement may be temporarily assigned as necessary to perform such work at the discretion of management. Those employees who are temporarily assigned Shunt Truck Driver work will receive the rate of pay of their permanent & regularly held position for the duration of their temporary assignment and will have no claim to the work performed as a Shunt Truck Driver.





### Pay

10. The position of Shunt Truck Driver will be paid at SES Level 6 as outlined in Article 6.4 of the Collective Agreement at a rate of \$28.509 per hour.
11. The position of Shunt Truck Equipment Maintainer will be paid at SES Level 9 as outlined in Article 6.4 of the Collective Agreement at a rate of \$30.420 per hour.

### Training

12. Training will be provided for eligible employees and will be scheduled at the Company's discretion in a manner to meet needs of the business.
13. If it is determined by management that an employee is unsafe or incapable of properly performing the duties of the role they will be disqualified from the positions outlined in this agreement and will be restricted from bidding any work under this agreement.

### General

14. The new positions established under this agreement are not intended to be utilized to reduce the straight time and/or overtime to which regular assigned employees would otherwise perform. However, the positions outlined herein may be utilized to assist the regular assigned employees in the performance of work but will not supplant the regular assigned positions.
15. The parties agree that in the event there is a reduction in forces at the Vaughan Intermodal Facility, employees will be required to exercise their seniority under the Collective Agreement and Income Security Agreement to the positions herein, for which they are qualified, before being eligible to claim benefits under the Income Security Agreement.
16. This agreement is on a trial basis and will be in effect until June 1, 2021, but may be extended by mutual agreement. The parties will meet within 90 calendar days following the signing of the agreement to discuss the implementation and work outlined herein. In the event that this agreement is extended by the parties, it is understood it will be extended concurrent with the USW Collective Agreement expiring December 31, 2022.
17. It is expressly understood that this agreement is made on a trial basis and the Union has no entitlement or ownership of the work being performed by bargaining unit employees as it relates to performing the work of a Shunt Truck Driver or Shunt Truck Equipment Maintainer.
18. Notwithstanding the provisions of paragraph 16 above, this Agreement is made on a without prejudice and without precedent basis and may be cancelled by either party with ninety (90) calendar



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days written notice. In the event this agreement is cancelled no benefit entitlements will be afforded to any employee.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Myron Becker".

Myron Becker  
Chief Labour Officer  
Canadian Pacific

I concur:

A handwritten signature in black ink, appearing to read "Steven Hadden".

Steven Hadden  
President,  
TC Local 1976, USW





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 Calgary Alberta  
 Canada T2C 4X9

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July 13, 2021

VIA EMAIL

Mr. Steven Hadden  
 President – TC Local 1976, USW  
 2360 de LaSalle Room 202  
 Montreal, QC. H1V2L1

Dear Sir,

This letter is in reference to discussions between the parties in regards to insourcing of Shunt Truck work to be performed exclusively at the Company's Lachine Intermodal Facility on a trial basis. The parties have expressed the desire for the United Steelworkers (USW) to perform the work, subject to conditions set forth herein. Additionally, this understanding demonstrates the Company is committed to the USW performing this work that it might otherwise contract out and is subject to the Union demonstrating the work can be performed in a timely fashion that is safe, efficient, economical and is of satisfactory quality.

This comprehensive proposal for a temporary/trial agreement between the USW and CP to have USW employees perform Shunt Truck work and insource work that is currently performed by contractor Parsec Inc. This agreement reached with the USW to insource work will be on a trial basis only.

Therefore the parties agree to the following:

#### **Eligibility**

1. Shunt truck positions will be offered in seniority order to employees in the Montreal area.
2. Fourteen (14) positions will be bulletined for bid as Shunt Truck Driver positions, to start, concurrent with the departure of the current contractor. Additional positions may be added at the discretion of the Company. Once awarded a position, employees will be held in the Shunt Truck Driver positions for a minimum of 30 days. Any time held into the position over 30 days will be subject to the provisions of the Collective Agreement.
3. Currently there is one (1) equipment maintainer position at Lachine, which is vacant. Effective with the signing of this agreement the vacant equipment maintainer position will be abolished and any previous agreement related to equipment maintainers will be cancelled. The parties agree that the Company may contract out all equipment maintenance and no grievance shall be filed as a result. In addition, any outstanding grievance on this matter will be withdrawn by the Union. In the event that the Company elects to insource shunt truck equipment maintenance later, at Lachine, it will notify the Union and work towards a permanent plan and agreement.



4. Employees who are permanently assigned a position under this agreement will be allowed to bid to higher rated permanent vacancies under their Collective Agreement should they become available.
5. Should there be no applicants, unless otherwise mutually agreed the following shall apply.
  - a) The junior, qualified, trained unassigned employee from the seniority list in the department at the work location will be awarded the position.
  - b) Should there be no junior, qualified and trained employee, then the junior unassigned employee at the work location will be awarded the position.
  - c) Should a dispute arise between the parties in relation to the bidding process for the positions outlined in this agreement, either party may raise their concerns to the labour adjustment committee for resolution.
6. The Company, at its discretion, may assign employees to perform the duties of a higher rated classifications as necessary to support the business. In this case, they will receive the rate of the higher rated classification for the duration worked in that position. Other classifications will include any identified classifications in the collective agreement as well as the Perishable Protective Services (PPS Labourer) position as set out in the letter of understanding titled *Vaughn Perishable Protective Services (PPS) trial agreement* dated June 15, 2020.
7. Any spare or unassigned employees who have not been awarded Shunt Truck Driver work under this agreement may be temporarily assigned, in accordance with this Agreement and the Collective Agreement, as necessary to perform Shunt Truck Driver work at the discretion of management. Those employees who are temporarily assigned Shunt Truck work will receive the Shunt Truck Driver rate of pay as outlined herein for the duration of their temporary assignment and have no claim to the work performed as a Shunt Truck Driver.
8. Any permanent & regularly assigned employees not assigned to perform Shunt Truck Driver work under this agreement may be temporarily assigned as necessary to perform such work at the discretion of management. Those employees who are temporarily assigned Shunt Truck Driver work will receive the rate of pay of their permanent & regularly held position for the duration of their temporary assignment and will have no claim to the work performed as a Shunt Truck Driver.

#### Pay

9. The position of Shunt Truck Driver will be paid at SES Level 6 as outlined in Article 6.4 of the Collective Agreement at a rate of \$29.080 per hour. The collective agreement pay scale for new hires remains in effect.





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### Training

10. Training will be provided for eligible employees and will be scheduled at the Company's discretion in a manner to meet needs of the business.
11. If it is determined by management that an employee is unsafe or incapable of properly performing the duties of the role they will be disqualified from the positions outlined in this agreement and will be restricted from bidding any work under this agreement.

### General

12. The new positions established under this agreement are not intended to be utilized to reduce the straight time and/or overtime to which regular assigned employees would otherwise perform. However, the positions outlined herein may be utilized to assist the regular assigned employees in the performance of work but will not supplant the regular assigned positions.
13. The parties agree that in the event there is a reduction in forces at the Lachine Intermodal Facility, employees will be required to exercise their seniority under the Collective Agreement and Income Security Agreement to Shunt Truck Driver positions before being eligible to claim benefits under the Income Security Agreement.
14. This agreement is on a trial basis and will be in effect until January 14, 2022, but may be extended by mutual agreement. The parties will meet within 90 calendar days following the signing of the agreement to discuss the implementation and work outlined herein. In the event that this agreement is extended by the parties, it is understood it will be extended concurrent with the USW Collective Agreement expiring December 31, 2022.
15. It is expressly understood that this agreement is made on a trial basis and the Union has no entitlement or ownership of the work being performed by bargaining unit employees as it relates to performing the work of a Shunt Truck Driver.
16. Notwithstanding the provisions of paragraph 14 above, this Agreement is made on a without prejudice and without precedent basis and may be cancelled by either party with ninety (90) calendar days written notice. In the event this agreement is cancelled no benefit entitlements will be afforded to any employee.

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



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7550 Ogden Dale Road SE  
Calgary Alberta  
Canada T2C 4X9

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Sincerely,

Handwritten signature of Myron Becker in black ink.

Myron Becker  
Chief Labour Officer  
Canadian Pacific

I concur:

Handwritten signature of Steven Hadden in black ink.

Steven Hadden  
President,  
TC Local 1976, USW

CC: Mike Foran – VP Market Strategy and Asset Management  
Matt Hipwell – GM Network Intermodal Operations  
Dave Pezzaniti – Director Labour Relations  
Nathalie Lapointe – TC Local 1976 USW Area Coordinator

**ATTACHMENT D  
APPENDIX A-XX**

Letter dated February 2, 2023 concerning the archiving of information and Collective Agreement language

February 2, 2023

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

Dear Madam,

This is in regards to our discussions during negotiations of our collective interest to update and modernize the Collective Agreement by no later than June 30<sup>th</sup>, 2023 to ensure material that is current and relevant to employees and the Company is contained therein.

The parties have agreed to archive certain information and Collective Agreement language. Archived information and Collective Agreement language shall be identified and will be removed from the Collective Agreement, however, shall remain in effect, where applicable, for reference purposes.

The list of previously archived information and Collective Agreement language contains archiving from December 2003 and September 2012 as follows:

- 1) Article 22: Seniority groups as established in the Collective Agreement dated August 13, 2001
- 2) Article 8, item 8.5
- 3) Article 8, item 8.6
- 4) Appendix A-38: Progress Rail Memorandum of Agreement dated February 8, 2000
- 5) Appendix A-63: Letter dated January 1, concerning implementation of the Simple Effect Solution Pay Evaluation System (Archived)
- 6) Appendix A-71: Letter dated June 22 , 2006 - Amalgamation of Seniority Rosters
- 7) Appendix A-72: Letter dated June 22, 2006 – Updated Appendix A-47
- 8) Appendix A-82: Letter dated June 22, 2006 – Union certification

The following is a list of suggested language and information to review for the possibility of archiving within the 2023 - 2024 Collective Agreement.

- 1) Appendix A-2: LOU dated June 19, 1997 concerning the right to request medical certificates as proof that an illness was legitimate
- 2) Appendix A-3: Letter to Heads of Departments with regard to employees classified as "spare, unassigned and/or laid off." dated February 12, 1987

- 3) Appendix A-4: Letter to Heads of Departments with regard to situations involving displacement and methods of providing necessary familiarization for new incumbent dated February 12, 1987
- 4) Appendix A-5: Letter to Heads of Departments concerning the selection of applicants for vacancies coming under Article 5 dated March 22, 1992
- 5) Appendix A-6: LOU concerning special arrangements for a physically disabled employee dated April 26, 1982
- 6) Appendix A-7: LOU on "Competitive Services" dated April 29, 1992
- 7) Appendix A-9: Letter dated December 5, 2003, concerning Staff reduction in Pension Services Department
- 8) Appendix A-10: Letter dated December 1, 2000 concerning amendments or variations of hours of work
- 9) Appendix A-12: Letter dated December 1, 2000 concerning the posting of seniority lists on an electronic file and maintaining Regional Seniority lists
- 10) Appendix A-13: LOU dated March 13, 1995, concerning the establishment of a joint committee to review instances of contracting out
- 11) Appendix A-14: LOU dated March 13, 1995, concerning training availability in displacement circumstances
- 12) Appendix A-18: LOU dated June 19, 1997 concerning Weekly Indemnity Benefits
- 13) Appendix A-19: LOU concerning the awarding of vacation entitlement at IMS terminals dated December 1, 2000
- 14) Appendix A-21: Letter dated July 15, 2009, concerning the commitment to meet and reach a resolve with respect to establishing new rules dealing with hours of service, work schedules and the creation of part time positions
- 15) Appendix A-23: Letter dated December 5, 2003, concerning the establishment of a Conflict Resolution Process
- 16) Appendix A-24: Letter dated December 5, 2003, concerning the re-instatement of the Pension Plan consent provision
- 17) Appendix A-25: Letter dated December 5, 2003, concerning the cost of securing Medical Reports
- 18) Appendix A-26: Letter dated December 5, 2003, concerning Safety and Health, Terms of Reference
- 19) Appendix A-27: Letter dated December 5, 2003, concerning supplementing the workforce with temporary Agency workers
- 20) Appendix A-29: Letter dated December 5, 2003, concerning training allowance at Winnipeg Customer Services (Article 39.4)
- 21) Appendix A-31: Letter dated December 5, 2003, concerning employee paid days off
- 22) Appendix A-32: Letter dated June 22, 2006 Collective Agreement Guidelines
- 23) Appendix A-33: Letter dated June 22, 2006 Short Payments

- 24) Appendix A-35: Letter dated June 22, 2006 Not Docketing a Grievance Within Two Years
- 25) Appendix A-38: Letter dated July 15, 2009 RE: Job Sharing & Phased Retirement
- 26) Appendix A-41: Letter dated June 22 , 2006 Updated Appendix A-16 Work/Life Balance
- 27) Appendix A-43: Letter dated June 22 , 2006 – E-Learning
- 28) Appendix A-44: Letter dated June 22 , 2006 – Flex Time
- 29) Appendix A-45: Letter dated July 15, 2009 Regarding Starting Rates
- 30) Appendix A-46: Letter dated July 15, 2009 regarding Accrued Vacation
- 31) Appendix A-50: Letter dated September 22, 2012 concerning Express Scripts

Further, the parties agree that during the closed period of the current mainline Collective Agreement and Police Communications Centre Collective Agreement, they will endeavor to modernize and remove any redundant language in the wage agreements without changing its intent nor its application.

If this reflects our understanding during negotiations, please indicate your concurrence in the space provided below.

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**ATTACHMENT D**  
**Letter of Understanding – Police Communications Centre Collective Agreement**  
**This Letter Does Not Form Part of the Collective Agreement**

February 2, 2023

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Re: The Police Communications Centre Collective Agreement**

Dear Madam,

This is in regard to our discussions during negotiations of our collective desire to bring alignment between the Police Communications Centre Collective Agreement and the mainline Collective Agreement.

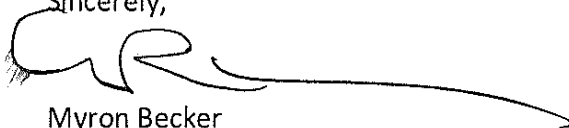
To achieve this, the parties agree to further explore the consolidation of these Agreements into one Agreement.

Within a month of ratification, a subcommittee of two (2) representatives from the Company and two (2) representatives from the USW will be formed to work on the consolidation.

A recommended draft copy will be provided by the subcommittee to the USW President (or delegate) and Chief Labour Officer by no later than June 30, 2023 for final approval.

If this reflects our understanding during negotiations, please indicate your concurrence in the space provided below.

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW



**ATTACHMENT D**  
**Letter of Understanding Errors and Omissions**  
**This Letter Does Not Form Part of the Collective Agreement**

February 2, 2023

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Re: Errors and Omissions**

Dear Madam,

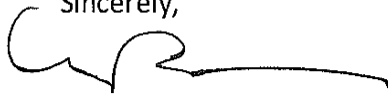
In regards to the mainline Collective Agreement and Police Communications Centre Collective Agreement between Canadian Pacific and the TC Local 1976 of the United Steelworkers, neither Party hereto shall be prejudiced in any way by inadvertent errors or omissions.

Any errors, omissions or ambiguity, created solely as a consequence of the amendments and/or the addition of Memorandum of Settlement language, Agreements and arbitration rulings, are unintentional and will be corrected by mutual agreement between the parties. The party first discovering such errors, omissions or ambiguity will notify the other party in writing promptly upon discovery thereof and the parties shall act to correct such error, omission or ambiguity within thirty (30) business days of such other party's receipt of notice.

Following the initial printing of the Collective Agreements, for the duration of the Agreements, corrections will be made available electronically; however, the revised Collective Agreements will not be reprinted until the next renewal of the Agreements.

If this reflects our understanding during negotiations, please indicate your concurrence in the space provided below.

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Letter of Understanding**  
**This Letter Does Not Form Part of the Collective Agreement**

February 2, 2023

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Re: Canada Labour Code – Paid Medical Leave Days**

Dear Madam,

This has reference to the parties' discussions concerning the Canada Labour Code (CLC) Paid Medical Leave Days.

By no later than July 1, 2023 the parties agree to conclude exploring the feasibility of paying out unused CLC Medical Leave Days. This joint review will take into account the experience and usage of the paid medical leaves during 2023.

This review will also include joint discussions on a potential formula for payment of the unused days. The formula and any proposed payout must be mutually agreed upon by the parties.

This letter is on a trial basis and will expire with this Collective Agreement unless otherwise mutually agreed upon by the parties.

If this reflects our understanding during negotiations, please indicate your concurrence in the space provided below.

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Letter of Understanding**  
**This Letter Does Not Form Part of the Collective Agreement**

February 2, 2023

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Re: Staffing in Winnipeg Service Centre**

Dear Madam,

This has reference to the Union's concerns raised during collective bargaining concerning the utilization of overtime provisions in the Winnipeg Service Centre.

In order to address the Union's concerns the parties agree to the following:

- 1) A joint Union/Management Committee will be established consisting of the following:
  - Representative(s) from the National USW Office
  - Winnipeg Local USW officer(s)
  - Assistant Vice-President Customer and Corporate Services
  - Labour Relations Director (or designate)
- 2) Meetings will take place monthly for six months following ratification and then on a quarterly basis for the duration of the Collective Agreement unless otherwise mutually agreed.
- 3) The Committee will have full authority to review and make preliminary recommendations by no later than June 30, 2023 to the USW President (or delegate), SVP Strategic Planning and Technology, and Chief Labour Officer concerning the following:
  - Hiring trends
  - Retention rates
  - Employee engagement opportunities
  - Overtime trends
  - Managing of staff vacancies
  - Training and opportunities to backfill unplanned vacancies
  - 1% Quality of life allotment
  - Transferring of employees after awarded bid

Note: The above list is not all inclusive and other related topics may be placed on the agenda

as may be deemed necessary by the Committee.

- 4) The Company will be responsible for distributing each meeting's agenda and minutes to all Committee members in a mutually agreed upon manner.
- 5) If any dispute(s) arise with respect to the Committee's recommendations these issues may be placed before Federal Conciliation Mediation Services (FMCS) for final resolution.

Unless otherwise agreed to by the parties this letter of understanding will expire at the end of this contract.

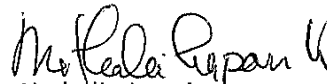
If this reflects our understanding during negotiations, please indicate your concurrence in the space provided below.

Sincerely,

For USW:



Myron Becker  
Chief Labour Officer  
Canadian Pacific



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Letter of Understanding – Hiring of Employees  
This Letter Does Not Form Part of the Collective Agreement**

February 2, 2023

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Re: Hiring of Employees**

Dear Madam,

Based on our discussions during recent contract negotiations, the Union expressed a desire to participate in the recruitment and interview process of employees.


It is believed that the Union's engagement in this process will assist the Company recruiting and retaining the highest quality candidate.

A local union representative will be invited to participate in the interview process of new employees. This will involve the participation of the HR department.

The final selection of candidates will be determined by the Company.


If this reflects our understanding during negotiations, please indicate your concurrence in the space provided below.

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**Letter of Understanding – Grievance Management System  
This Letter Does Not Form Part of the Collective Agreement**

February 2, 2023

Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW

**RE: Grievance Management System**

Dear Madam,

This letter pertains to the Company designated electronic system for handling and tracking grievances, referred to as the Grievance Management System (GMS).

The parties agree all grievances will be presented electronically via the GMS. If a grievance is not accepted by the GMS based on a failure of the system the grievance can be filed with the appropriate Company Officer electronically. If any failure of the system results in a violation of the time lines required of the Union to process a grievance, the time lines will automatically be extended.

Implementation of GMS will occur within 90 days of ratification. Following the implementation, the Company will endeavor to work through any legitimate concerns the Union may raise.

- A) The parties will meet, as required, prior to implementation to fully understand the application and utilization of the GMS System. The Company will engage the appropriate IS department personnel for these meetings.
- B) The parties agree to meet no less than each 90 day period following implementation then as required thereafter to review any concerns that may arise, and to identify solutions to address concerns. This does not prevent the Union from escalating any concerns with respect to the system as required between the aforementioned 90 day periods or thereafter.
- C) During the initial 30 day period prior to the implementation of the GMS System, the Union will provide a list of any/all employees and/or Union Officers who they wish to have access to the System. Periodically the Union may provide an updated GMS Access List of employees and/or Union Officers to the Company.
- D) During the initial 60 day period prior to implementation, the Union will also identify who within the Union/employee base will be identified as initiating the grievance within the


GMS. This is required for paragraph c) and d) to ensure appropriate security levels are assigned.

It is further understood that the use of CP's GMS does not constitute a change in the joint ownership of the grievance process.

An online training module has been developed and will be made available for Union Executives. We will also host workshops to demonstrate and educate the system capabilities with those that have the right to access the GMS.

If this reflects our understanding during negotiations, please indicate your concurrence in the space provided below.

Sincerely,



Myron Becker  
Chief Labour Officer  
Canadian Pacific

For USW:



Nathalie Lapointe  
Regional Coordinator  
TC Local 1976, USW