

Memorandum of Agreement

Between

Canadian National Railway

And

Teamsters Canada Rail Conference (CN)

And

CAW Local 110 (BCR)

This Agreement will facilitate the orderly transition of locomotive engineers represented by CAW 110 into the existing Teamsters Canada Rail Conference bargaining unit at Canadian National Railways and will ensure that locomotive engineers at CN Rail and the former BCR are properly protected with respect to work on their respective former properties.

SENIORITY DISTRICT

1. The seniority territory for Locomotive Engineers of the former BCR shall become part of the amalgamated Seventh/Ninth Seniority District, which is described in Article 56 and Addendum No. 90 of Collective Agreement 1.2.
2. The seniority territory for Locomotive Engineers of CN Rail shall become part of the seniority District, which is described in Article 17 of the BCR Collective Agreement.

SENIORITY LISTS

3. The names of locomotive engineers who, on the effective date of this Memorandum of Agreement, hold seniority as a Locomotive Engineer under the terms of the BCR Collective Agreement (hereinafter referred to as BCR) shall be added, in seniority order, to the bottom of the seniority list for Locomotive Engineers of the amalgamated Seventh/Ninth Seniority District under Collective Agreement 1.2. Such BCR locomotive engineers shall be accorded a seniority date on that seniority list as of July 15, 2004. The notation "BCR" on the applicable seniority lists will identify such locomotive engineers.
4. The names of locomotive engineers who, on the effective date of this Memorandum of Agreement, hold seniority as a Locomotive Engineer under the terms of Collective Agreement 1.2 shall be added, in seniority order, to the bottom of the seniority list for Locomotive Engineers of the Seniority District, which is described in the BCR Collective Agreement. Such CN locomotive engineers shall be accorded a seniority date on that seniority list as of July 15, 2004. The notation "CNR" on the applicable seniority lists will identify such locomotive engineers.
5. The Company will post the combined seniority lists in accordance with the posting requirements of each collective agreement. Seniority standings shall be subject to appeal for ninety (90) days after seniority lists are posted. Where a protest involving seniority standing is not satisfactorily settled, the employee may turn the matter over to the local chairman to be progressed.

PREFERENCE RIGHTS

6. BCR locomotive engineers who maintain a continuous employment relationship with the Company shall have preference, in seniority order, over other locomotive engineers covered by Collective Agreement 1.2 in the filling of locomotive engineers' positions on the former BCR territory. Such positions are identified herein as protected BCR positions.

Protected BCR positions are defined as all regular assignments, spare boards, pools, work train, yard assignments and any other train service that may operate at and/or between the following locations:

Squamish Subdivision:	North Vancouver (Mile 0) to Lillooet
Lillooet Subdivision:	Lillooet to Williams Lake
Prince George Subdivision:	Williams Lake to Prince George
Chetwynd Subdivision:	Prince George to Chetwynd
Stuart Takla Subdivision:	Odell including the Dease Lake Extension
Tumbler Subdivision:	Wakely to end of Subdivision
Mackenzie Subdivision:	Kennedy to Mackenzie
Dawson Subdivision:	Chetwynd to Dawson Creek
Ft. St John Subdivision:	Chetwynd to Ft. St. John
Ft. Nelson Subdivision:	Ft. St. John to Fort Nelson
Port Subdivision:	Pratt to Roberts Bank

7. With the exception of the territory outlined in Item 6, CN locomotive engineers who maintain a continuous employment relationship with the Company shall have preference, in seniority order, over other locomotive engineers covered by the BCR Collective Agreement in the filling of locomotive engineers' positions on the CN territory.

NOTE 1: Preference rights given on the Port Subdivision encompass only those trains operated by BCR locomotive engineers and does not extend to those trains and/or assignments presently being operated by CN Rail locomotive engineers.

NOTE 2: Items 6 and 7 are intended to protect existing Locomotive Engineers on their former territories.

FILLING VACANCIES

8. Protected positions on the former BCR territory will be filled in the following order:

Permanent Positions

- a) Permanent positions will be advertised by bulletin to former BCR locomotive engineers at each terminal under the terms of the BCR collective agreement. In the event that the vacancy remains unfilled after all provisions under the BCR agreement have been exhausted the vacancy will be bulletined to CN locomotive engineers under the provisions of Article 58.6 of Agreement 1.2.
- b) If the vacancy still remains unfilled, it shall be filled under the provisions of Article 59 of Agreement 1.2.

Temporary Positions

- c) Temporary positions will be advertised by bulletin to former BCR locomotive engineers at each terminal under the terms of the BCR collective agreement. In the event that the vacancy remains unfilled after all provisions under the BCR agreement have been exhausted the vacancy will be filled under the provisions of Article 59 of Agreement 1.2.

Tour of Duty Basis

- d) CN locomotive engineers called to protect work on a tour of duty basis on the former BCR territory will work under and be covered by the terms and conditions of the BCR Collective Agreement except that they will be paid miles or hours plus all applicable allowances, whichever is greater.
- e) BCR locomotive engineers called to protect work on a tour of duty basis on the CN territory will work under and be covered by the terms and conditions of the CN Collective Agreement 1.2 except that they will be paid miles or hours plus all applicable allowances, whichever is greater.
- f) Items 8 (d) and 8 (e) are only applicable at Prince George and Vancouver.
- g) Calling procedures for calling a locomotive engineer on a tour of duty basis are outlined in Appendix A of this Memorandum of Agreement.

GENERAL

9. BCR Agreements including arbitrations, Memorandum of Agreements and Local Agreements, unless expired, cancelled, or re-negotiated, will continue in effect and be applicable to all locomotive engineers working on the territory defined in Item 6 of this Memorandum of Agreement.

10. CN locomotive engineers filling permanent or temporary positions on the former BCR territory and under the jurisdiction of the BCR Collective Agreement will work under and be covered by the terms and conditions of the BCR Collective Agreement.

11. BCR locomotive engineers filling permanent or temporary positions on the CN territory and under the jurisdiction of the CN Collective Agreement will work under and be covered by the terms and conditions of the CN Collective Agreement.

12. It is understood that Protected BCR positions may be discontinued or work re-distributed through the issuance of a Material Change Notice as outlined in Article 23 of the BCR collective agreement. This will not apply in respect of changes brought about by the normal application of the collective agreement, changes resulting from a decline in business activity, fluctuations in traffic, traditional re-assignment of work or other normal changes inherent in the nature of the work in which employees are engaged.

TRAINING/FAMILIARIZATION/PILOTING

13. Training for CN locomotive engineers on former BCR territory will be provided in the following manner:

- a) Qualified CN locomotive engineers will be provided with a locomotive engineer called in

accordance with their Collective Agreement and local calling procedures to act as a pilot, in addition to the train crew, over each subdivision of the new territory which required to work and will work under and be covered by the terms and conditions of the BCR Collective Agreement. In addition, CN locomotive engineers will attend a classroom session on distributive power and any other requirements. The following outlines the minimum number of tours required before a locomotive engineer will be considered qualified on a particular subdivision:

Squamish Subdivision:	5 tours (10 trips)
Lillooet Subdivision:	5 tours (10 trips)
Prince George Subdivision:	5 tours (10 trips)
Chetwynd Subdivision:	5 tours (10 trips)
Stuart Takla Subdivision:	3 tours (6 trips)
Tumbler Subdivision:	3 tours (6 trips)
Mackenzie Subdivision:	3 tours (6 trips)
Dawson Subdivision:	3 tours (6 trips)
Ft. St John Subdivision:	3 tours (6 trips)
Ft. Nelson Subdivision:	3 tours (6 trips)

- b) BCR locomotive engineers called as pilots will, in addition to all other earnings, be compensated the applicable training rate for that territory.
- c) CN locomotive engineers will be provided all required training, information, including track profiles, prior to the commencement of their first trip over the new territory.
- d) Qualified CN locomotive engineer is intended to mean that all training has been completed prior to the commencement of their trips as outlined in a) of this note.

14. Training for BCR locomotive engineers on CN territory the will be provided in the following manner:

- a) Qualified BCR locomotive engineers will be provided with a locomotive engineer called in accordance with their Collective Agreement and local calling procedures to act as a pilot, in addition to the train crew, for a minimum of three (3) trips (6 tours) over each subdivision of the new territory which required to work and will work under and be covered by the terms and conditions of the CN Collective Agreement.
- b) CN locomotive engineers called as pilots will, in addition to all other earnings, be compensated the applicable training rate for that territory.
- c) BCR locomotive engineers will be provided all required training, information, including track profiles, prior to the commencement of their first trip over the new territory.
- d) Qualified BCR locomotive engineer is intended to mean that all training has been completed prior to the commencement of their trips as outlined in a) of this note.

15. Locomotive Engineers called to protect work in yard service will be familiar with the yard for which called.

EFFECTIVE DATE

16. This Memorandum of Agreement shall become effective with the December 15, 2005 Change of Timetable on the Mountain Region or as otherwise mutually agreed.

Signed in Edmonton, AB on December 01, 2005.

For the Company:

Joe Torchia

Myron Becker

Myron Becker

for
Donna Crossan

For TCRC:

Dan Shewchuk

Bruce Willows

For CAW 110:

Todd Wallace

Evan Bennett

Rick Ellerbeck

Owen Simpson

APPENDIX A

CN Locomotive Engineers Providing Relief on a Tour of Duty Basis

1. Vacancies in assigned or pool service to be filled by the BCR spare board.
2. If the spare board is exhausted, a BCR locomotive engineer booked up for extra work will be called or as outlined in the local calling procedures.
3. If there are no BCR locomotive engineers booked up for extra work, all BCR locomotive engineers at that location will be canvassed to protect the vacancy or as outlined in the local calling procedures.
4. If no BCR locomotive engineers are available or do not respond to the call to fill a vacancy, a CN locomotive engineer from the spare board or as outlined in the local calling procedures, will be called.
5. If the CN spare board is exhausted, a CN locomotive engineer booked up for extra work will be called.

Former BCR Locomotive Engineers Providing Relief on a Tour of Duty Basis

1. Vacancies in assigned or pool service to be filled by the CN spare board.
2. If the spare board is exhausted, a CN locomotive engineer booked up for extra work will be called or as outlined in the local calling procedures.
3. If there are no CN locomotive engineers booked up for extra work, all CN locomotive engineers at that location will be canvassed to protect the vacancy or as outlined in the local calling procedures.
4. If no CN locomotive engineers are available or do not respond to the call to fill a vacancy, a BCR locomotive engineer from the spare board will be called.
5. If the BCR spare board is exhausted, a BCR locomotive engineer booked up for extra work will be called.