



Teamsters Canada

Rail Conference Division 320

April 11, 2014

Hourly Agreement

All Division 320 Members:

Recently, in a Company publication and at a Town Hall Meeting held by the employer, it was revealed that the company would like to see an hourly rate implemented for all employees. Although no specifics have been provided on the structure of such an agreement, and no negotiations have taken place between the Company and your Union on any such agreement, we felt it prudent to inform you that this is not, nor has it ever been a Union initiative or demand. It is also important to note that in 2007, CN attempted to negotiate an hourly rate with our Brothers and Sisters working there, and failed to come to an agreement.

Below is an excerpt from an email sent by one of our Brothers working on the CN who had the good fortune to talk with several railroaders working in the US under an hourly rate contract. The information he was able to glean from them was invaluable. Please take the time to read before deciding for yourself whether or not an hourly rate would be good for us:

Brothers & Sisters,

Just some information to any Local Chairpersons that think that meeting with (the employer) over the hourly rate could prove beneficial for our membership. Here in Winnipeg we work south to Rainier, Minnesota and share accommodations with the former D.W.P. crews at the Days Inn in International Falls, Minnesota (when living with someone you learn about their experiences and what goes on in their life). They have been on an hourly rate for the last 3 or 4 years now. Believe me when I say if you think there are things that bother you about how we do things now at CN, you would not believe how much worse an hourly rate would make it.

Our D.W.P. Brothers had a meeting with (the employer) prior to them accepting an hourly rate agreement. Actually it wasn't a meeting where you exchange views with each other, it was a meeting where (the employer) threatened to close their terminal in Duluth/Superior

and redirect all the trains going thru their terminal thru other terminals on the CN system. We in Winnipeg told them that he wouldn't be able to do that, considering the volume of traffic that runs over their track (Duluth/Superior is a direct link to Chicago and points south). But they were a small group about 300+ employees (the UTU represents both the conductors and the engineers) and they were intimidated by (the employer's) threats of terminal closure. There were supposed to be a few perks with the agreement, cash buyouts and schedules that would have them work 5 days with 2 days off, some would even work 4 days with 3 days off, also extra money for the junior employees as they had 4 different rates of pay (A,B,C and D), lastly if you want to call a perk overtime after 10 hours on duty.

They felt compelled to accept an agreement that required them to give up their work rules and work for an hourly rate. Well shortly after accepting their new contract, the buyouts

evaporated (nobody could afford to take one) and the schedule changed for all employees to work 6 days with 1 day off. I remember asking one of the crews what are these work rules you gave up, I was shocked to learn that it was basically their collective agreement. Again I asked how could you give up your collective agreement, their answer was; "what choice did we have he was going to close our terminal."

Winnipeg crews soon started to notice changes in the D.W.P. crew's mode of operation, what used to be a 6 hour delay from when the crew was ordered in Superior to when they arrived in Rainier, became 12 to 18 hours. All the crews we were trading off with were either on duty almost 12 hours or had been changed off with another crew because they had been on duty 12 hours

(12 hours is the U.S. hours of service law). The new crew was expected to jump on another train after trading with us and work till they had their 12 hours in. Train crews are expected to do work that was traditionally yard work at either the home terminal or the away from home terminal upon arrival at destination to complete their 12 hour day, this work would include climbing on different units and performing any switching required (i.e. flat switching trains, tying up tracks, spotting cars at industrial sites, transferring cars from one yard to another, just to name a few examples). This is required because the hourly rate eliminated the distinction between yard or road service and all crews perform multiple tasks with hourly rate agreement.

After a few months we also started to notice physical changes in the crews as well (they seemed to be chronically fatigued and they appeared to be aging rapidly), some might find that hard to believe but try working 12 hour shifts day in and day out or as we know night in and night out for months on end, then look in a mirror and see how you look. Now imagine doing that for the rest of your railroad career

(can you imagine a feeling of more despair, I know I can't). The D.W.P. crews never had rest provisions in their collective agreement before because the way they worked prior to the hourly rate they never had to worry about it before, (the road employees would get time off when they got their miles in or the yard employees had regular days off). Now with the hourly rate, the U.S. hours of service law was their only method of taking rest, that by the way allows them either 10 or 8 hours of rest including call time depending on how long they have been on duty prior to going off duty. This rest applies at either the home terminal or the away from home terminal The U.S. law only forbids them from operating a train over 12 hours, quite often crews are either left sitting on a train or in a taxi well in excess 12 hours. One D.W.P. crew member told me "When I leave for work to start my 5 day work cycle I tell my wife I will see you in 6 days", actually they are forced to go to work right up to the last minute before starting their day off, so sometimes their day off is spent coming home from the away from home terminal, that off day will not be made up to them. We were told, crew members that live out of town are forced to sleep in their vehicles in the parking lot at work because they do not have time to make it home-get some rest-and get back to work, with only 8 hours off till their next shift.

The D.W.P. brothers had a 2 year out in their agreement but with the promise of more buyouts, 5 day work cycles and of course the money. They accepted a new deal with no out clause, the crews that we talk to can not explain why they would accept this deal, other than the cash or the buyouts. One thing the D.W.P. crews tell us is they would much rather be working under the protection of our collective agreement, than the hourly rate agreement they have now.

Is it not obvious to everyone the similarities of the present company contract proposals

to us, to what our D.W.P. brothers are forced to work under. In the letter dated December 13, 2006 from (the employer) to our National Negotiating Committee (Negotiation update # 6). (The employer) states on page 2, in item 1: "We schedule our employees with a 5 day work week with two guaranteed days off. (We also are willing to discuss with you a 4 day on /3 day off schedule, depending on what you want to negotiate in terms of work week/wages)". Does anybody notice the similarity to what the D.W.P. were first offered?

In items 2 and 3 (the employer) tries to justify how we don't require rest provisions in our agreement which (the employer) states in item 4: "With this type of scheduling, the hours of service provisions ensure rest. Therefore, we don't need to build in redundant rest provisions." Again this sounds like our D.W.P. brothers agreement. With the loss of rest provisions, personal leave days and the extended rest option (48 hours), what would we have?

Another note Canada's hours of service rest provisions are not as protective as the U.S. hours of service law.

In item 5: (The employer) tries to justify having no mileage caps because of having a 5 day work week, "We all know that mileage caps are there to make sure everyone can earn a fair wage. The 5-day work week does that and more."

Actually (the employer) has told the shareholders that with an hourly rate they could get the equivalent of 7500 miles from an employee rather the 4300 miles they are capped at presently. That sure sounds like more quality time at home to me, again the similarities to our D.W.P. brothers.

In item 6: (The employer) tries to justify the abolishment of the distinctions between Yard and Road service, "While we will always have jobs that are primarily terminal or road assignments, all of our employees in your craft have skills to do both. If they are working on a job for, say, ten hours a day, and are asked to help out another crew during the same period, we are not adding to the work day. Rather, we are asking a UTU- represented employee to help another UTU-represented employee during their shift." Want to bet it won't end after "say" ten hours, it doesn't for our D.W.P. brothers who "help" out other UTU employees all the time.

In closing I would like to emphasize that it goes without saying we here in (...) are against any hourly rate provisions and decimation to our collective agreement that would accompany it. We the Local Chairpersons might not all be able to agree on everything, that is our democratic right.

But I urge you all to agree on this and support our National Negotiating Committee, SAY NO TO AN HOURLY RATE AGREEMENT, SAY NO TO THE DECIMATION OF OUR COLLECTIVE AGREEMENT, VOTE TO SUPPORT A STRONG STRIKE MANDATE!

As you can see the ideas presented by CN in 2007 are similar to the ideas being presented to us today. Already, in the most recent material change issued concerning the consolidation of Roberts Bank and Coquitlam, and Extended Service Runs, the Company has presented many of the ideas mentioned in the above email: abolishment of monthly mileage caps, abolishment of personal/ EDOs, flexible scheduling, better work/life balance.

National Negotiations begin later this year at Canadian Pacific for all L.E. and CTY. We will, of course, forward any pertinent information on this and all matters as it becomes available.