

MEMORANDUM OF AGREEMENT BETWEEN
CANADIAN PACIFIC RAILWAY
AND THE
CANADIAN COUNCIL OF RAILWAY OPERATING UNIONS (BLE & UTU)
CONCERNING PILOTLESS DETOURING

1.0 Purpose of Agreement

This agreement will enable training, qualification and administration of employees operating pilotless detour trains in the Canadian National Railway corridor between Kamloops and Vancouver Terminal.

This agreement is to permit the effective use of employees and equipment through the elimination of pilots when derailments, line blockages and track programs create the need to detour over Canadian National Railway. There may be other instances when detouring can take place provided mutual agreement is reached by the Companies and the Council prior to such detouring.

2.0 Coverage

2.1 Employees who regularly operate in pool freight, spareboard or assigned service on the CPR Cascade and Thompson Subdivisions (including Roberts Bank pool freight service employees) are governed by the terms of this agreement.

2.2 Employees transferring into services noted in 2.1 after training has commenced or been completed will, at first opportunity, be given the opportunity to train and qualify to participate in pilotless detouring.

2.3 CPR employees will continue to be covered by their own collective agreement when operating pilotless detours.

3.0 Differences Training (Operating Rules)

3.1 Employees referred to in Section 2 of this agreement will be required to complete Differences Training to ensure a thorough understanding of operating rules on Canadian National Railway. Qualification requirements will conform with Company standards set for CROR examinations.

3.2 The Differences Training Program will be developed in consultation with the General Chairs or their designates.

3.3 Payment for attendance at Differences Training.

Employees required to attend instruction classes and who as a result thereof lose time, shall be compensated to the extent of wages earned during the period withheld from service for the purpose of attending such classes. Collective Agreement / Local Agreement rest may be booked upon completion of classes, turns will be maintained on the board and governed by such rest.

Employees may be withheld to attend instructional classes.

Employees who do not miss work due to instructional classes will be compensated the MQ training rate according to the class of service working in. Rest may be booked upon completion of classes, turns will be maintained on the board and governed by such rest.

4.0 Road Familiarization Trips

4.1 Kamloops based employees will be allowed up to five round trips to qualify on the CNR Ashcroft Subdivision between Kamloops and Boston Bar.

4.2 Coquitlam and Roberts Bank employees will be allowed up to five round trips to qualify on the CNR Yale Subdivision between Boston Bar and Thornton/Roberts Bank.

4.3 Qualification will be determined by an appropriate representative of either railway.

4.4 Familiarization trips can be completed on CPR or CNR freight trains.

4.5 Kamloops, Roberts Bank and Coquitlam employees will report to their respective yard offices where they will be taxied to Thornton Yard (Coquitlam and Roberts Bank crews) or the Kamloops CNR Station (Kamloops crews) to commence their familiarization tour of duty. Return transportation will be provided upon arrival at said terminals subsequent to completing familiarization trips.

4.6 Separate "Familiarization Pools" will be established at Kamloops, Coquitlam and Roberts Bank during the course of training for pilotless detour operations. Employees in Familiarization Pools will rotate first-in/first-out while they complete familiarization trips in accordance with Clauses 4.1 and 4.2 above.

4.7 Payment for familiarization trips will be in accordance with Clause 5 below.

5.0 Payment

- 5.1 Road trips will be in accordance with the CCROU fixed mileage method of pay. Fixed mileages will be adjusted as follows to compensate for additional terminal time and running miles:
- 5.2 Between Kamloops and Boston Bar when operating over all or a section of the CNR Ashcroft Subdivision - CPR fixed mileage for the Thompson Subdivision will be increased by ten (10) miles.
- 5.3 Between points within the Vancouver Terminal and Boston Bar via Mission/Matsqui when operating over all or a section of the CNR Yale Subdivision between Matsqui and Boston Bar - fixed mileage for the Cascade Subdivision will be increased by three (3) miles.
- 5.4 Between Vancouver Terminal and North Bend/Boston Bar when trains originate, terminate, or travel through Thornton - the fixed mileage for the Cascade Subdivision will be increased by seven (7) miles. Base mileage for trains that originate or terminate at Thornton will be the same as Coquitlam to North Bend.
- 5.5 Between Roberts Bank and Boston Bar when running over all or a section of the CNR Yale Subdivision - increase by two (2) miles.

Note: For the purpose of familiarization trips performed out of CNR Thornton Yard only, Roberts Bank crews will be provided an additional six (6) miles over and above the CPR fixed mileage that applies between Roberts Bank and North Bend.

- 5.6 Claims for buffer payments generated under this agreement will be chargeable to the Company.

6.0 Training of CNR Employees

- 6.1 Employees referred to in Section 2 of this agreement will serve as Trainers when teamed with CNR employees who are completing familiarization trips on the Thompson and Cascade Subdivisions.
- 6.2 Payment for training CNR employees will be as follows:
- Engineer-Instructor as per BLE Article 1, Clause(e)
 - Conductor Student Training Allowance as per UTU Article 1, Clause(h)

7.0 Selection of Candidates

- 7.1 Dependent on personal availability, employees will be selected to train for pilotless operations on a seniority basis.
- 7.2 The number of employees released to train at any one time will be determined by the Company.

8.0 Calling Procedures

- 8.1 Employees who receive certification to operate pilotless detour trains will be called first-in/first-out at their home and away from home terminal. Unless otherwise advised, employees will report for duty at their normal reporting location, transportation to CNR facilities will be provided by the Company.
- 8.2 North Bend and Boston Bar will be considered as one away from home terminal for the purpose of this agreement. Unless other suitable arrangements are made, employees on detour trains will continue to take rest in the CPR resthouse at North Bend. The Company will be responsible to provide transportation between North Bend and Boston Bar.
- 8.3 In the application of Clause 8.1 above, if employees standing first out are not qualified to operate pilotless detour trains their train will be furnished with a qualified pilot. Round and single direction trips completed under such circumstance will count towards those referenced in Clauses 4.1 and 4.2. If the calling of a qualified pilot results in running around other than the first out employees, it will not constitute a runaround.
- 8.4 Employee placement/calling will be handled in the normal manner at away from home terminals regardless of operating over CPR or CNR trackage.
- 8.5 Employees can be called in straightaway, combination or turnaround combination service when operating detour trains.
- 8.6 Other than as provided in Clause 4.4 above, CPR employees will not be required to relieve CNR crews enroute nor will they be required to operate CNR trains over all or a portion of a Subdivision.

9.0 Refresher Trips

- 9.1 Employees will be given an opportunity to make a refresher trip in accordance with the following scale:

- Having accumulated less than 20 one way trips over the Subdivision in question - a refresher trip will be completed within six months of the last trip.
- Having accumulated 20 or more one way trips over the Subdivision in question - a refresher trip will be completed within one year of the last trip.

9.2 A refresher trip will be a straightaway tour of duty during which combination service does not occur.

9.3 Refresher trips can be completed on CPR or CNR freight trains as a working or extra crew member.

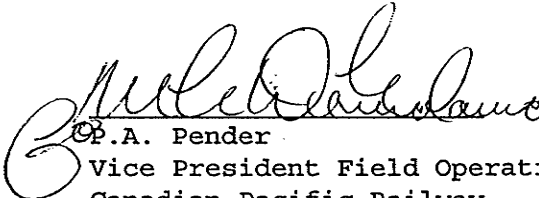
10.0 Labour Disruption

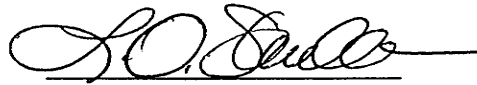
10.1 CPR employees will not be required to operate pilotless detour trains in the Canadian National Railway corridor in the event that CNR employees are on a legal strike unless arrangements are made in advance and agreed upon by the General Chairs or their designates.

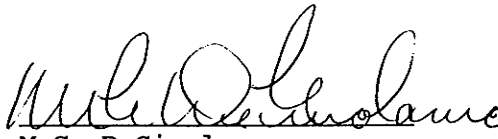
SIGNED AT CALGARY, ALBERTA, this 28th day of NOVEMBER, 1997.

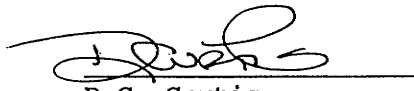
FOR THE COMPANY:

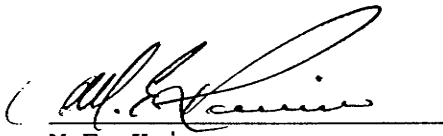
FOR THE COUNCIL:


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