

Brothers and Sisters,

Yesterday I received a number of copies of the attached message. I have removed the mailing list because of space constraints but it was sent to hundreds of management personnel, including all areas of Engineering management staff. The copies I have received have been sent by front line supervisors, obviously concerned about this new initiative.

"...From: Brock Winter

Sent: Tuesday, March 17, 2009 1:39 PM

Subject: Initiative > Reducing the Consumption of Bottled Water (Canada only)

An initiative has been identified that provides significant cost savings for the company and helps our operating employees make a positive contribution to the environment. The initiative is very simple: reduce the consumption of bottled water.

CP has a regulatory and, in some cases, a contractual obligation to ensure all employees have access to good drinking water. In January 2004, CP started to supply bottled water to its operating employees that did not have ready access to drinking water. As running trades employees and engineering staff working out on the track require a ready supply of potable water, the move to bottled water from disposable plastic cups was a welcomed change by everyone. Unfortunately, the ready supply of bottled water has resulted in an increase in consumption that far exceeds what should be occurring.

Operations employees have increased their bottled water consumption by 293% over the past five years since the switch was made from plastic cups. In 2008, in Canada alone, 4.3 million bottles of water were consumed. It is clear that a significant amount of bottled water is being purchased by the company and consumed by employees that have ready access to other supplies of good drinking water. The cost savings potential for CP is significant, but the environmental opportunity is equally compelling.

The following are some facts about bottled water consumption at CP:

CP is consuming the equivalent of 114 truckloads of bottled water a year in the field;

- 1 Plastic bottles are not biodegradable;
- 2 Many CP employees are diligent about recycling but even if 50% of bottles are recycled, that still means 2.15 million bottles end up in our landfills every year;

The real cost of bottled water is significantly higher than you think. Following are some additional facts:

- it takes 3 to 5 liters of water to filter, manufacture, package, and transport one liter of bottled water
- 1 it takes 1 liter of crude oil to manufacture 10 plastic bottles of water
 - 2 at CP, this translates into almost 450,000 liters of crude oil to manufacture one year's supply of bottled water.

A 293% increase in five years is a trend that must be reversed. It is evident that we need to clearly define who requires potable water and put controls in place to ensure that the distribution of bottled water is restricted to these employees. I know there will be "pushback" on some fronts and it is also essential we make sure that good drinking water is available to all employees. Bottled water will continue to be provided where it is required as a source of potable water, but my expectation is that consumption be reduced to only those employees who do not have easy access to a ready supply of good drinking water.

Brenda MacCalder, Director, Facility Management, will be taking the lead to meet with local operations and SSG procurement staff to establish site specific consumption requirements, storage needs, and controls to reduce the consumption of bottled water. While it will take time to work through these site-specific initiatives, Brenda MacCalder, Mike Franczak, and Gord Pozzobon will work together to set the priorities. That being said, Management in the field must lead this initiative. My expectation is that steps will be taken immediately to restrict the supply of bottled water only to those employees who are entitled to it under regulatory or contractual obligations.

Lets get behind this initiative. It is the right thing to do for the environment. It is also a significant cost reduction opportunity. Thank you for your cooperation.

Brock W. Winter

Senior Vice-President, Operations ..."

When I began my career with CPRail at the beginning of the '80's, our crew was supplied with an insulated bucket and lid that we attached to the back of the motor car, with bungee cords. We would stop at various creeks along our territory and fill it up and this would be the drinking water for the day. If we were lucky, train crews would throw us cans of purified water from the head or tail end (we had cabooses in those days), especially if we had been working in an area where there wasn't clean water.

As the years went on, we eventually were supplied with canned water and then came the cups of water with tear away foil lid. These cups were heavily chlorinated and often had calcium deposits floating in them and they tasted like crap. When we became Teamsters in 2004, the push was on to get proper bottled water for everyone and even though I remember great resistance (pushback) from Engineering upper management, we finally got to the point we have been at for the last couple of years. Every crew now has bottled water for drinking.

Mr. Winters speaks of doing the right thing for the environment yet he doesn't spend any of his letter explaining the procedures in place at CP for recycling. Recycling is important and I cannot stress this enough. Perhaps Mr. Winters or other management people will re- inforce CPR's recycling policy when they recognize that there is a failure in following it. I will try and find out if the company has such a policy and if they do, I will post it on this website to help with the communication, which from Mr. Winter's letter seems to be lacking.

But for now let me state unequivocally.... recycling is in all of our best interests. We do not own the earth, we are merely holding it in trust for our grandchildren.

However, it is obvious that the environment issues are not what is driving this. I believe that it is purely profit driven. The cost of the regulatory requirement for water comes out of someone's budget and as Mr. Green announced a few weeks ago, PIPS (management bonuses) will be affected if you do not stay within your budget.

Besides being a simple creature comfort and a necessity for life, there are regulations in place within the Canada labour Codes which are clear that the company must supply us with water.

" 125. (1) Without restricting the generality of section 124, every employer shall, in respect of every work place controlled by the employer and, in respect of every work activity carried out by an employee in a work place that is not controlled by the employer, to the extent that the employer controls the activity,

(j) provide, in accordance with prescribed standards, potable water;"

In Canada Occupational Safety and Health (COSH) regulations it states;

" **Potable Water**

9.24 Every employer shall provide potable water for drinking, personal washing and food preparation that meets the standards set out in the *Guidelines for Canadian Drinking Water Quality 1978*, published by authority of the Minister of National Health and Welfare.

9.25 Where it is necessary to transport water for drinking, personal washing or food preparation, only sanitary portable water containers shall be used.

9.26 Where a portable storage container for drinking water is used,

(a) the container shall be securely covered and closed;

(b) the container shall be used only for the purpose of storing potable water;

(c) the container shall not be stored in a toilet room; and

(d) the water shall be drawn from the container by

(i) a tap,

(ii) a ladle used only for the purpose of drawing water from the container, or

(iii) any other means that precludes the contamination of the water.

9.27 Except where drinking water is supplied by a drinking fountain, sanitary single-use drinking cups shall be provided.

9.28 Any ice that is added to drinking water or used for the contact refrigeration of foodstuffs shall

(a) be made from potable water; and

(b) be so stored and handled as to prevent contamination.

9.29 Where drinking water is supplied by a drinking fountain, the fountain shall meet the standards set out in ARI Standard 1010-82, *Standard for*

Drinking-Fountains and Self-Contained, Mechanically-Refrigerated Drinking-Water Coolers, dated 1982. "

There may be departments or locations where bottled water is not necessary. I don't know. We don't represent every department nor do we have any say on how management treats itself.

But I do know that access to clean drinking water, in abundance, is necessary in all aspects of M of W service....the work performed by TCRC MWED members. And these are the members that we represent.

Mr. Winter states that where regulation requires it, bottled water will still be supplied. However, he does not state where this is and leaves the issue open to interpretation, while sending his message to every frontline supervisor (even TP&E) in Engineering. Aside from the obvious communication problem with this, remember that Fred Green sent a message just a few weeks ago urging supervisors "...**Don't wait for instructions from the NOIBN team. Look for, and act on, cost reduction ideas now...**".

Since Mr. Winter does not offer any clear instructions as to who and where the elimination/ reduction of bottled water will apply and Mr. Green has advised that management doesn't have to wait for instructions...they should act on cost reduction ideas now, when you put these two (2) letters together, you can just imagine the problems which might develop out in the field. Without specifics, we must hope for the best but prepare for the worst.

I have written to the Co-Chairs of the Engineering Policy committee requiring that this issue be resolved ASAP. And as we have thousands of members out there working right now, I have also written Mr. Pozzobon, VP of Engineering requiring that there be no change in the providing of bottled water for TCRC MWED members until the Policy committee has dealt with this in a proper and consistent manner. We need written assurance that there are procedures in place to supply all of our members with a proper amount of clean, drinkable water throughout their working day.

Follow this link to determine approximately how much drinking water you need during a day: <http://www.csgnetwork.com/humanh2owater.html>

If anyone in management denies you access to drinking water, at any time while you are at work...contact your Director or myself (613 889 8620) immediately.

We agree that the company should be saving money where they reasonably can and also that they should be trying to avoid waste, but they must stop trying to do it on the backs of their employees. I wonder if the Manager in charge of over billing the grain farmers last year and incurred a \$5 million fine for CPRail is still performing financial and/or billing functions for this company? I also wonder if a corporate jet is really necessary in these tough economic times? Actually, I don't really wonder about that...I never saw the use of it in the first place. If any of you have ideas for cost cutting measures aside from simply cutting labour and taking short cuts on safety, please send them to me and I will pass them along.

Stay safe, stay strong, stay united,

Bill Brehl
President
TCRC MWED