



Myron Becker
Chief Labour Officer
Canadian Pacific Railway

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LETTER OF UNDERSTANDING

March 27, 2020

Delivered Via Email

Dave Fulton
General Chairman CTY West
101-10820 24 Street SE
Calgary, AB
T2Z 4C9

Wayne Apsey
General Chairman CTY East
5334-361 Queen Street
Smiths Falls, ON
K7A 0A6

Re: Coronavirus/ COVID-19 Unemployment Assistance

Dear Sirs:

As you are aware, the situation around the globe is fluid and CP is responding with equal levels of caution and flexibility. We are today and always will be an operating Company with a shared commitment to the safety and well-being of our employees. The scope and impact of the global COVID-19 (Coronavirus) pandemic is something no one could have predicted. We have experienced a significant degree of uncertainty in the Global marketplace, which has resulted in the unfortunate decision to lay off employees at various terminals.

During our discussion on the foregoing, the Company expressed its desire to assist Conductors and Conductor Trainees laid-off on March 23, 2020, or thereafter, as a direct result of the economic downturn we are experiencing due to the Covid-19 crisis. This Letter of Understanding will remain in effect until June 30, 2020.

In order to achieve the above objective, while employees are in laid off status the Union and the Company have agreed to the following:

1. Laid off employees will be paid \$248.00 on a weekly basis, over and above any Employment Insurance benefits or any other Federal Government Covid-19 related benefits they may eligible for. With the exception of Employee Health Benefits referred to in item 2, it understood that normal deductions, with the exception of Union dues deductions, will continue to apply and employees will be paid on the normal payroll cycles.



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2. Employee Health Benefits will continue uninterrupted and the monthly employee premium cost will be borne by CP. There will be no change to the current Weekly Indemnity Benefits.
3. The Union raised a concern that there may be an employee(s) that due to unforeseen circumstances will not be able to meet the obligations provided for in paragraph 4 herein. If the parties agree there is an exception, it is understood that the employee will not be eligible to any of the provisions of this Letter of Understanding.

Given the uncertainty in the market, it is recognized that we must be prepared to react to traffic volumes as quickly as possible; therefore, the following will also apply:

4. Laid off employees will be required to report for work within 72 hours of recall. Employees will retain the option of immediately reporting to work upon recall. Employees must be medically fit to return to work in accordance with Company Policy.
5. Upon notice of recall, on a pro-rated basis, employees will no longer receive the weekly payment of \$248.00 per week.
6. Upon notice of recall, employees will be retained on the working board for at least 10 business days in lieu of the existing 35-day period outlined in Article 109.14 of the Consolidated Collective Agreement.
7. In the event traffic volumes remain volatile and it becomes necessary to lay off the same employee(s) after recall, they will receive no less than a 10-day working notice to take effect with the following Crew Change. If this occurs, these employees will again be eligible for the provisions outlined in paragraph 1 and paragraph 2 above.
8. During the term of this Letter of Understanding, if there is necessity to use Manager Crews due to crew availability, the respective Vice President Operations and General Chairman will within 48 hours review the reason Managers were used to protect service. The Company believes the requirement to report within 72 hours' notice of recall will alleviate the Union's concerns on this matter.
9. The Company and the Union will, within 72 hours of an issue being raised, review any issue that may arise due to the application of this Letter of Understanding. In the event the matter cannot be resolved between the parties during the 72 hour period, the Union then has the option to progress the matter as a grievance.



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10. The Company and the TCRC recognize this Letter of Understanding is without prejudice or precedent to either party and is solely due to the unforeseen economic global impact due to Covid-19. This Letter of Understanding may be extended beyond June 30, 2020 if mutually agreed upon by both parties.

If the foregoing reflects our discussions, please indicate by providing your concurrence in the space below.

Yours Truly,

Myron Becker
Chief Labour Officer
Labour Relations, CP

Mark Redd
Executive Vice President, Operations

I concur:

Dave Fulton, General Chairman
TCRC – CTY West

Date: March 27, 2020

I concur:

Wayne Apsey, General Chairman
TCRC – CTY East

Date: March 27, 2020