## **COLLECTIVE AGREEMENT**

## Between:

UNITED STEEL, PAPER AND FORESTRY,
RUBBER, MANUFACTURING, ENERGY, ALLIED
INDUSTRIAL AND SERVICE WORKERS
INTERNATIONAL UNION
LOCAL 7106
(referred to as United Steelworkers)

## And:

KEEWATIN RAILWAY COMPANY (hereinafter referred to as KRC)

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## PREAMBLE

**Whereas**, the Keewatin Railway Company operates a railway in Northern Manitoba; and

Whereas, the United Steel Workers Local **7106** represents all unionized workers employed by Keewatin Railway Company; and

Whereas, the Keewatin Railway Company and the United Steel Workers Local **7106** desire to enter into a collective agreement with regard to those employees; and

Whereas, the parties agree that it is mutually beneficial and desirable to act fairly and reasonably to arrange and maintain labour standards, wage rates and working conditions, to protect safety and health of unionized workers and to provide a method for the adjustment of disputes, which may arise between the parties.

Now therefore the Parties agree as follows:

## ARTICLE 1 GENERAL

- 1.01 The Parties have endeavoured to ensure that the terms of this Agreement are as clear as possible and do not intend that any presumption of law or interpretation be relied upon in interpreting this Agreement. In particular, that there shall be no presumption in favour of or against any Party.
- 1.02 In the Agreement, words importing the singular shall include the plural and vice versa where the context requires. The use of such words as "he," "his" and "him" as they may appear in the Agreement are not intended to restrict the application of the Agreement or a particular rule to a particular gender, but are used solely for the purpose of grammatical convenience and clarity. Accordingly, words importing the masculine gender shall include the feminine gender where the context requires.

## ARTICLE 2 RECOGNITION

2.01 KRC recognizes the United Steelworkers as the sole and exclusive bargaining agent for all employees, save and except the **CEO**, General Manager, Office

- Manager, **Superintendent of Operations** and those excluded by the Act, as described by Manitoba Labour Board Certificate MLB-6466 dated February 11, 2008.
- 2.02 The terms and conditions set forth in this Agreement shall have full force and effect for all employees in the bargaining unit as described in the preceding paragraph.

## ARTICLE 3 MANAGEMENT RIGHTS

- 3.01 It is recognized that the management of the business is vested in KRC, whose discretion and judgment shall control as to the operations of KRC, the selection and retention of employees, the work and duties to which employees are assigned, and the right to hire, transfer, promote, demote, suspend and discharge for cause, so long as the rights granted in this Article are not in violation of the provisions of this Agreement or any applicable federal or provincial laws.
- 3.02 KRC management shall be permitted to perform work normally performed by an employee in the event of the unavailability of an employee or in the event of work of an urgent or emergency nature.

## ARTICLE 4 DEDUCTION OF DUES

4.01 During the lifetime of this Agreement, KRC shall deduct from the wages of each bargaining unit employee, monthly union dues in the amount certified by the United Steelworkers to KRC, to be currently in effect according to the Constitution of United Steelworkers. Such deductions shall be made from wages earned in each of the pay periods of each calendar month and shall be remitted within fifteen (15) days following the last deduction made in each month, by cheque made payable to:

International Secretary-Treasurer
United Steelworkers
Box 9083, Commerce Court Postal Station
Toronto ON M5L 1K1

4.02 The monthly remittance shall be accompanied by a completed USW R115 Form (a summary of the dues calculations made for the month, each month), as well as a statement showing the names of each employee from whose pay deductions have been made and the total deducted for the month.

- Such statements shall also list the names of the employees from whom no deductions have been made and the reasons.
- 4.03 A duplicate R115 Form and the employee deduction statement shall be forwarded to:

United Steelworkers, Servicing Staff Office By facsimile to: (204) 687-8176

- 4.04 No deduction shall be made from the earnings of any employee in any month where he has earned less than five (5) days' wages.
- 4.05 The United Steelworkers will give reasonable notice to KRC of any changes in union dues, fees or other amounts which KRC is required to deduct. All changes will coincide with the beginning of KRC's next pay period.
- 4.06 KRC agrees to print the amount of total deductions paid by each employee for the previous calendar year on their annual Statement of Remuneration (T4 slip).
- 4.07 The United Steelworkers hereby indemnifies KRC and will hold KRC harmless for any and all claims which may be made by the employee for any amounts deducted from wages as provided in this agreement.

## ARTICLE 5 NO STRIKES OR LOCKOUTS

5.01 KRC shall not lock out any employee covered by this Agreement and the United Steelworkers shall not authorize or take part in any work stoppage, slowdown, strike or picketing of KRC during the life of this Agreement. KRC reserves the right to discipline, including the right to terminate the employment of any employees taking part in any violation of this provision of the Agreement.

#### ARTICLE 6 SENIORITY

6.01 Service shall mean an employee's length of continuous service with KRC. An employee shall maintain and accumulate seniority while he is in the full-time employ of KRC from the first day of his employment with KRC. Unless otherwise specifically expressed, seniority shall be applied on a classification basis. The employee's name shall not, however, be added to the

- seniority list until the employee has completed his probationary period as set forth in Article 6.03 of this Agreement.
- 6.02 The seniority rights of each new employee shall start from the date he begins his first tour of duty in the respective classification as an employee of KRC. Where two (2) or more new employees begin work on the same day, KRC and the United Steelworkers will determine seniority by a lottery conducted by the United Steelworkers and KRC.
- 6.03 A newly hired employee shall serve a probationary period of ninety (90) calendar days. During a probationary period, KRC may terminate the employment relationship at any time and for any non-discriminatory cause.
- 6.04 Employees shall, unless otherwise provided in this Agreement or by agreement between KRC and the United Steelworkers, hold and accumulate seniority in the classification in which they were hired.
- 6.05 An employee will establish and accumulate seniority beginning at the time he is awarded or promoted to a position.
- 6.06 An employee is required to either exhaust his seniority rights in the Current Bargaining Unit throughout the KRC system prior to being allowed to return to the bargaining unit he previously occupied or take a voluntary layoff. If he has exhausted his seniority rights, he may either return to his previous bargaining unit and displace the most junior qualified employee in that bargaining unit or take a voluntary layoff.
- 6.07 KRC shall publish a seniority list showing the established seniority date of each employee.
- 6.08 In filling a permanent vacancy, KRC shall post the vacancy in accordance with Article 15.02 for non-operating employees. If KRC is unable to fill the vacancy from within the specific craft, employees from other crafts who make application may be awarded the position on the basis of their KRC seniority. If a position is not filled from within KRC as provided in this Article 6.09, KRC may fill it from the outside.
- 6.09 The employee making application for the advertised vacancy must be able to meet the qualifications of the job or reasonably be expected to qualify for the position claimed and pass any required examinations for the job. The posting for a job vacancy will include a job description and the qualifications for the job. In accordance with bulletins posting a training opportunity for any of the respective crafts, the senior applicant from within the craft will have first preference. If

- there are no applicants, the senior entered service employee from all other crafts who made application may be awarded the training opportunity.
- 6.10 If an employee is unable to meet the required qualification to perform the job or pass any required examination for the job, after being given a reasonable period of time to qualify as defined in the training program, he will be returned to his former position.
- 6.11 If an employee accepts the position and then refuses to fulfill the requirements of qualifying for the position or withdraws his acceptance prior to meeting said qualifications, he shall be returned to his former position and be restricted from making application for the same position for one (1) year.
- 6.12 An employee who fails in his first attempt to the position or classification for which he took training will be given a second opportunity within a reasonable period of time, not to exceed one (1) year, in which to qualify or meet the required qualifications of the position for which training was provided or pass any required examination for the job.
- 6.13 Any employee who twice fails to meet the required qualifications or pass the required examinations for the job or if the employee accepts the position and then refuses to fulfill the requirements of qualifying for the position or withdraws his acceptance prior to meeting said qualifications, will only be considered for further training at his own expense and on his own time. Such employee requesting further training must apply in writing to his supervisor requesting the opportunity.
- 6.14 In cases of layoff, junior employees shall be demoted or laid off in reverse order of seniority within their job classification. KRC shall make an effort to provide employees with as much notice as possible of layoff but in any event, the United Steelworkers and the affected employee(s) shall be advised at least five (5) working days in advance of the date the layoff shall commence or pay in lieu of notice. Employees will be recalled to service in seniority order within their classification and will retain their original seniority date and standing provided they report for duty within fourteen (14) days from the date they receive notice of recall. Seniority shall accrue during periods of vacation, leave of absence and layoff.
- 6.15 Seniority shall not be forfeited except in cases of death, retirement, resignation from KRC, discharge, violation of Article 9.02 or failure to accept or respond to recall as provided in Article 6.19. If an employee is on a seniority list with the designation, Not Qualified (NQ), he will lose his place on that seniority list if he fails to qualify as provided for in Article 6. An employee who is

discharged and subsequently reinstated may, by virtue of a mutual agreement between the United Steelworkers and KRC or as a result of an arbitrator's decision, be placed on the seniority list consistent with his seniority date prior to the discharge.

- 6.16 Acceptance of management positions will be handled as follows:
  - (a) After ratification of this Agreement, existing employees who are then in a management position will have ninety (90) calendar days to return to the classification from which they were promoted. If they choose not to do so, they will then be removed from all seniority lists.
  - (b) After ratification of this Agreement, any employee who accepts a permanent management position will forfeit any seniority after ninety (90) calendar days.
  - (c) An employee covered by this Agreement may occupy a temporary management position for up to ninety (90) calendar days in each calendar year without losing any seniority. This period may be extended under exceptional circumstances by agreement of the United Steelworkers.
- 6.17 KRC shall provide and maintain separate classification seniority rosters for its employees. The rosters shall be published once a year on June 1 and KRC shall provide a copy of the rosters to employees, and the United Steelworkers. The rosters shall be held open for a period of thirty (30) days to allow an employee, through his United Steelworkers, the opportunity to appeal his position on the roster(s) in writing to KRC. For employees on leave of absence, annual vacation, layoff or absent due to illness or injury, the thirty (30) days shall begin on the date the employee returns to active service. Once the roster is unchallenged for thirty (30) days, it may not be changed thereafter except by mutual agreement between the United Steelworkers and KRC except in cases where the employee's name is removed or slotted incorrectly for other than the above excepted reasons as set forth in Article 6.
- 6.18 Notwithstanding anything to the contrary in this Agreement, nothing shall preclude or limit the type of work that an employee shall be asked to perform for which he is qualified and within his classification.
- 6.19 KRC shall recall employees by written notice sent to the employee by registered mail at his last known address or hand delivered to him. It shall be the responsibility of the employee to provide KRC his current address, current telephone number and e-mail address (is he has one) in writing. An employee must both notify KRC of his intent to return to work within five (5) calendar days

- of receiving the written notice and present himself for work within fourteen (14) calendar days of receipt of the written notice.
- 6.20 Subject to the availability of junior employees, an employee may waive recall without the loss of seniority, for vacancies with an expected duration of less than ninety (90) calendar days.

## ARTICLE 7 GRIEVANCE PROCEDURE

- 7.01 If any employee feels aggrieved by an action of KRC and believes such action is in violation of this Agreement (except any matter arising out of or related to the suspension or discharge of an employee, which shall be handled pursuant to Article 14 of this Agreement), he may file a grievance and it shall be disposed of in the following manner:
  - Step 1: The employee or the local union representative shall present a written detailed grievance to the (Superintendent of Operations) within fifteen (15) calendar days of the dispute. The Superintendent of Operations must respond in writing within fifteen (15) calendar days stating his/her decision regarding the grievance. These time limits may be extended only by mutual written agreement of KRC and the local union representative.
  - Step 2: A grievance not resolved in Step 1 may be progressed by the employee's designated representative to the General Manager of KRC in writing within thirty (30) calendar days of receipt by the employee of the supervisor's written decision, requesting that the General Manager review the supervisor's decision. The General Manager must render a final decision within fifteen (15) calendar days of receipt by him of the request for review. These time limits may be extended only by mutual written agreement of the United Steelworkers and KRC.
  - Step 3: A grievance not resolved in Step 2 may be progressed by KRC or the United Steelworkers to a Joint Conference of the United Steelworkers and KRC for mediation and resolution. The members of the Joint Conference shall be individuals with the authority to resolve the issues brought to it. The party who progresses the grievance to Step 3 must do so within forty-five (45) calendar days of the receipt of the General Manager's decision in Step 2. The notice requesting the Joint

Conference will contain sufficient information to apprise the other party of the facts and nature of the issues. The Joint Conference will meet in person or by conference call in an attempt to resolve the issues sent to it within thirty (30) calendar days of the receipt of the notice. The United Steelworkers and KRC may extend these time limits by mutual written agreement.

- 7.02 No employee shall be disciplined or discriminated against for lawful union activities, for reporting an alleged violation of any provision of this Agreement to the United Steelworkers or for performing services on union committees outside of working hours.
- 7.03 Any matter concerning the interpretation, meaning or application of this Agreement shall be referred to KRC designate and the applicable officer of the United Steelworkers for handling and resolution. If the matter cannot be resolved, it may be submitted to arbitration pursuant to Article 8.01.

## ARTICLE 8 ARBITRATION PROCEDURE

- 8.01 If a grievance concerning an alleged violation of this Agreement has been processed in the manner and through each of the steps outlined in Article 7.01 or an appeal against the discipline imposed has been processed in the manner and through each of the steps outlined in Article 14, and still has not been settled or disposed of, the grievance may be referred to arbitration by any of the signatories to this Agreement for final and binding settlement without a work stoppage. Proceedings for submitting the grievance to arbitration must be instituted by the United Steelworkers or KRC within forty-five (45) calendar days of receipt of the General Manager's decision unless the grievance is progressed pursuant to Step 3. If it is, then the forty-five (45) calendar days shall commence at the conclusion of Step 3, if needed. This time limitation may be extended by mutual written agreement of the United Steelworkers and KRC. No dispute may be submitted to arbitration until it has been processed through the grievance procedures set forth in Article 7.01 or Article 14 of this Agreement.
- 8.02 When a grievance is submitted to arbitration, the grieving party shall contact the Minister of Labour to request an arbitrator be appointed to deal with the grievance.
- 8.03 The costs of the arbitrator shall be shared on an equal basis between the United Steelworkers and KRC.

- 8.04 As soon as the arbitrator is selected, the parties will contact the arbitrator to set a hearing date. Prior to the hearing or such other time as the parties agree, KRC and the United Steelworkers shall submit a joint submission of the issues containing a statement of the claim, a statement of the facts and a statement of the respective positions of the parties. If the parties cannot agree on the contents of the joint submission, each party may submit its separate statement of position.
- 8.05 At the hearing, the parties may each present their case verbally or in writing to the arbitrator. The arbitrator shall consider only the dispute or question presented to him in the notice and the decision shall be limited to the dispute or questions contained in the request for arbitration. The decision shall not add to, subtract from, modify, rescind or disregard any provision of this Agreement. The arbitrator's decision shall be final and binding.
- 8.06 If arbitration is not utilized, the General Manager's decision shall be final and binding. In that case, the matter will be closed, but will not be considered as a precedent or waiver of the contentions of the United Steelworkers as to similar cases.

## ARTICLE 9 LEAVES OF ABSENCE

- 9.01 An employee may be granted a leave of absence without pay of up to ninety (90) calendar days upon approval and at the discretion of KRC. The period of leave may be extended at the discretion of KRC. An employee granted such a leave shall sign a copy of a written authorization of leave. If leave is granted seniority will accrue for up to one (1) year.
- 9.02 An employee on leave of absence from KRC may not work for another company unless the United Steelworkers and KRC mutually agree to allow the employee to work for another company. If leave is granted, seniority will not accrue. Any employee who engages in such other employment without the consent of the United Steelworkers and KRC shall be considered terminated.
- 9.03 KRC shall grant a leave of absence without pay to any employee elected or appointed to a United Steelworkers office or as a delegate to any United Steelworkers activity for the term of the office or until completing the activity, unless the activity unduly interferes with the operations of KRC.
- 9.04 Employees granted leave under Article 9.03 shall have all benefits, wages and seniority continued. KRC agrees to continue wage payments for employees on approved leaves of absence of two (2) calendar day's duration or

longer and the United Steelworkers shall reimburse KRC within thirty (30) calendar days of billing.

## ARTICLE 10 VACATION

10.01 Employees who qualify will receive vacation **pay and** time on the following schedule according to the time they began service with KRC:

After one year of service Two (2) weeks at four (4%)

percent of the previous year's

earnings

After two (2) years of service Three (3) weeks at six (6%)

percent of the previous year's

earnings

After four (4) years of service Four (4) weeks at eight (8%)

percent of the previous year's

earnings

After fifteen (15) years Five (5) weeks at ten (10%)

percent of service the previous

year's earnings

- 10.02 Vacations shall be earned by service year and are to be taken in the calendar year after it is earned. The above schedule shall apply to all otherwise qualified employees except and unless that employee has been unable to work in the previous year for a period of one (1) month or more due solely to illness or injury, in which case that employee shall receive paid vacation time at their regular rate of wages for their regularly scheduled hours, or at the rate as calculated above, whichever is greater.
- 10.03 Vacation time shall not be accumulated from one year to the next. KRC, in its discretion, may allow an employee to carry over his vacation to the next year in circumstances where, due to illness or injury, the employee has not been reasonably able to take his vacation in the year it became available. There will be no pay for vacation instead of time off, unless KRC cannot grant the employee his vacation during the calendar year.
- 10.04 To be counted as a year of service, an employee must have been continuously employed by KRC for a period of twelve (12) months. Time off for United Steelworkers business, bona fide illness or injury and vacation days shall count as continuous service for the purposes of this Article. An

employee with less than twelve (12) continuous months of service with KRC shall receive vacation pay in an amount equal to four (4%) percent of his total earnings. An employee who is hired pursuant to Article 10.01 and who has performed service in only a portion of a month and is laid off shall have that portion of the month counted as a full month of continuous employment for purposes of this Article.

- 10.05 Vacation requests must be submitted in writing to the employee's supervisor between December 1 and December 15 of each year. KRC will respond by no later than January 15 of each year. Those employees with the greater amount of KRC service will have priority if duplicate requests for the same vacation times are received. When submitting requests, employees should include alternate dates in case of duplicate requests.
- 10.06 With the exception of floating vacation days, all vacations will commence on a Monday and continue as consecutive week(s), except for employees who have days off other than Saturday or Sunday in which circumstances their vacation would commence upon completion of the last day of work in their work week. Employees entitled to two (2) or more weeks of vacation may split their vacation into not less than one (1) week segments. An employee shall be allowed to take up to five (5) of his vacation days as floating vacation days during the year so long as KRC approves of the day to be taken seven (7) days in advance and so long as the day or days are not added to regularly scheduled vacations. KRC may waive the seven (7) day advance notice requirement upon request of an employee and such waiver will not be unreasonably withheld.
- 10.07 KRC reserves the right to grant or deny vacation request choices based on the needs of its operations. The maximum number of employees who may be on vacation at one time shall be limited to no more than ten (10%) percent of the number of employees in a classification. In its discretion, KRC may allow additional employees in a classification to be on vacation at the same time. Except in an emergency, once a vacation request is granted, the employee shall be allowed to take the assigned time. If the vacation must be rescheduled due to an emergency, the employee and KRC shall mutually agree to the rescheduled time. If the employee's vacation is rescheduled by KRC due to an emergency and the employee has prepaid for the vacation and cannot obtain a refund or cannot use the prepaid vacation at a later date, KRC shall reimburse the employee for reasonable out-of-pocket costs.
- 10.08 If any of the general holidays listed in Article 11.01 occur during an employee's vacation or rest day, the employee may either be given a day of holiday pay in addition to his vacation pay or an additional day off at the end of his vacation

- and the holiday pay at his choice. The employee must notify KRC in advance of taking his vacation of which option he will choose.
- 10.09 If an employee ceases to be employed, KRC shall pay to the employee any vacation pay then owing by KRC to the employee.

## ARTICLE 11 GENERAL HOLIDAYS

11.01 KRC recognizes the following days as paid holidays:

New Year's Day
January 2
Louis Riel Day
Good Friday
Victoria Day
Canada Day
Civic Holiday
Labour Day
Thanksgiving Day
Remembrance Day
Christmas Day
Boxing Day

- 11.02 An employee who is not required to work on a general holiday shall be paid in accordance with Appendix A. When a general holiday falls on an employee's rest day, such holiday will either be moved to the normal working day before or after the employee's rest day or to such other time the employee and KRC agree.
- 11.03 KRC will give an employee five (5) calendar days' notice if it requires an employee to work on a general holiday except in an emergency. Anyone required to work on a general holiday will be paid at one and one-half (1½) times his regular rate of wages for the time worked on that day in addition to his regular rate of wages for that day.

## ARTICLE 12 BEREAVEMENT LEAVE

- 12.01 Bereavement leave is designed to allow an employee time off when a death occurs in the immediate family.
  - a) An employee qualifies for five (5) calendar day's bereavement leave if the spouse, common law spouse, child, parent, guardian, brother, or sister of the employee dies.
  - b) An employee qualified for three (3) calendar day's bereavement leave if a grandparent, parent-in-law, step-parent, step-child, step-brother, step-sister, brother-in-law or sister-in-law of the employee dies.

12.02 The General Manager may grant an exception in his sole discretion. No pay will be granted to an employee for this purpose who is already on leave of absence or layoff. Time paid for bereavement shall not be included in the computation of overtime.

## ARTICLE 13 JURY DUTY AND ATTENDING COURT

- 13.01 An employee who is summoned or who serves on jury duty and is required to lose time from his assignment shall be paid in accordance with Appendix A, not including, however, reimbursement from the Court for meals, lodging or transportation. No pay shall be granted if the employee is on leave of absence, layoff, vacation or holiday. However, an employee's annual vacation will, if the employee so requests, be rescheduled to a time mutually agreeable to KRC and the employee if it falls during a period of jury duty. Hours paid under this provision shall not be considered as time worked when computing overtime.
- 13.02 An employee must furnish KRC with a statement from the court of the jury allowance paid by the court and the days on which jury duty was performed.
- 13.03 An employee shall **receive** the overtime rate of one and one-half (1½) for all time after eight (8) hours when attending court as a witness for KRC or a medical examiner's inquest in cases where KRC is involved or he is subpoenaed by the Crown or government agencies in cases where KRC is involved. If the appearance falls on a rest day, he shall be paid a basic day and one and one-half (1½) times the employee's regular rate of wages after eight (8) hours. This Article does not apply if the employee is under criminal investigation or is party to a civil suit unless KRC and the United Steelworkers agree to provide it. KRC shall be entitled to a certificate for witness fees in all cases.

## ARTICLE 14 DISCIPLINE PROCEDURES

14.01 Subject to the rights granted in Article 3 of this Agreement, KRC shall not suspend or discharge an employee without just cause and without a fair and impartial hearing as set out in this Article. If, however, an employee is in violation of a federal or provincial statute or regulation or is endangering the safety of himself, a fellow employee or the public, KRC may hold him out of service with pay pending a hearing.

- 14.02 KRC shall notify an employee in writing of the incident(s) for which suspension or discharge is or may be imposed. The notice shall summarize the nature of the incident(s), give the time, date and place of the occurrence of the incident(s), set the time and date of the hearing and inform the employee he has the right to United Steelworkers representation and to bring witnesses.
- 14.03 The hearing will be scheduled within fifteen (15) calendar days of the date of notice and shall be presided over by the General Manager of KRC or his designate. The parties shall not be represented by legal counsel at the hearing. KRC shall provide the employee and the United Steelworkers a list of witnesses it intends to call at the hearing no less than forty-eight (48) hours in advance of the hearing. The employee shall also supply KRC with a list of witnesses he intends to call at the hearing forty-eight (48) hours in advance of the hearing. These time limitations may only be changed by mutual written agreement between the United Steelworkers and KRC.
- 14.04 The General Manager of KRC or his designate shall conduct the hearing in an informal manner and only he and the employee's United Steelworkers representative may examine witnesses. A transcript of the hearing or an audio or video tape of the hearing will be kept and that recording along with all documents used in the hearing will be provided to the employee or his representative at their request.
- 14.05 KRC witnesses who attend a hearing shall be compensated for time lost and be reimbursed for reasonable out-of-pocket expenses. If the employee is held for more than eight (8) hours, he shall be paid one and one-half (1½) times the employee's regular rate of wages on a minute basis for all time over the eight (8) hours. Employees who are already receiving compensation for the day(s) serving as a witness shall not be paid any additional compensation for testifying.
- 14.06 A decision will be rendered in no longer than twenty (20) calendar days after the hearing. Such decision shall be in writing and served on the employee and the United Steelworkers. This time limitation may be changed only by mutual written agreement between the United Steelworkers and KRC. Once a decision has been rendered, KRC may implement the decision.
- 14.07 If the United Steelworkers disagrees with the decision rendered, it may appeal the decision to the General Manager of KRC within ten (10) calendar days of receipt of the decision. Such appeal must be in writing and must specify the grounds or reasons the decision is incorrect or the level of discipline inappropriate. Failure to file an appeal by the due date shall render the decision final and not appealable. The General Manager shall

have ten (10) calendar days to render a decision on the appeal. That decision must be in writing and served on the employee and the United Steelworkers. The time limitations may be extended only by mutual written agreement of KRC and the United Steelworkers.

14.08 A grievance concerning the discipline imposed, which has been processed in the manner and through each of the steps outlined in Article 7 and still has not been settled or disposed of, may be referred by any of the signatories to this Agreement pursuant to the procedures set forth in Article 7.

## ARTICLE 15 POSTING

- 15.01 Except in an emergency, the following posting procedures for non-operating employees will be followed:
  - (a) Temporary vacancies of twenty (20) working days or less may be filled by KRC with the senior qualified employee working within the craft at the time of the vacancy.
  - (b) Temporary vacancies exceeding twenty (20) working days will be bulletined to all KRC employees for fifteen (15) calendar days and training will be administered according to Article 15.
  - (c) If a non-operating employee is on authorized leave during the entire period of the posting provided for in Article 15.01(a) and (b) above, he can exercise his seniority to claim the position no later than the completion of his first tour of duty upon his return from the authorized leave of absence.
- 15.02 When KRC determines that a permanent job vacancy in the non-operating crafts exists, KRC shall post a notice of the vacancy for a period of fifteen (15) calendar days before the job is to be filled. The posting shall specify the nature of the job, the qualifications required and the salary range for the position. An employee who wishes to be considered for the position so posted shall signify his desire by making formal application to the officer specified in the posting within fifteen (15) calendar days of the date of the posting of the notice. The officer specified before the close of the posting must receive the bid application.

## 15.03 Vacancies

If a senior employee applies for a vacancy and is not qualified, he will be put on the seniority list in that job in order of seniority. When there are training opportunities in this job, the training will be given to the senior employee listed in the job classification.

## ARTICLE 16 PAY DAY

- 16.01 All employees shall receive wages in accordance with Article 20 of this Agreement. Employees shall be paid bi-weekly.
- 16.02 Employees leaving the service of KRC shall be furnished with a payment covering all time due within seventy-two (72) hours or as soon thereafter as possible. The time specified shall be exclusive of Saturdays, Sundays and holidays.
- 16.03 All overtime shall be shown as a separate item on the pay summary of employees.
- 16.04 An employee who has been short paid may request KRC to issue a voucher to cover such shortage.
- 16.05 KRC will notify the employee within fifteen (15) calendar days from its receipt of time claim whether it is allowing or disallowing the claim. Notwithstanding the grievance procedure set forth above, when there is a question regarding time to be paid, any portion not in dispute will be paid. If KRC disallows the claim, it must state its reason(s) for doing so in writing. Any claim made pursuant to Article 7 not responded to by KRC within the fifteen (15) calendar day time frame shall be deemed approved and shall be paid by KRC. The decision to disallow a claim is subject to the grievance procedure, starting at Step 2 of Article 7.

## ARTICLE 17 OVERTIME

17.01 Overtime assigned by KRC shall be paid at the rate of one and one-half (1½) times the employee's straight time rate of wages for each hour of work over eight (8) hours a day or in excess of forty (40) hours in each work week or in excess of the maximum hours of work permitted by the Minister. Any hours worked in excess of sixteen (16) in a twenty-four (24) hour period shall be paid at the rate of double time.

- 17.02 Employees in non-operating service may be required to work up to twelve (12) hours and in yard service may be required to work up to ten (10) hours. Except in an emergency, KRC will give notice of the requirement to work overtime prior to the expiration of the sixth (6th) hour.
- 17.03 Overtime will not be paid when exercising seniority from assignment to assignment or when an employee works a regularly scheduled relief assignment. There will be no pyramiding of overtime.
- 17.04 Employees called in from home to work overtime for a specific task which is not in conjunction with their shift shall be paid a minimum of four (4) hours of pay at the applicable overtime rate. Where practicable, the senior employee at the location will be offered the overtime subject to KRC's endeavour to distribute overtime equitably.

## ARTICLE 18 MEALS, EXPENSE REIMBURSEMENT AND REIMBURSEMENT AND ACCOMMODATIONS

- 18.01 Employees in non-operating and yard service shall be entitled to two (2) ten (10) minute paid breaks per regular shift and an additional paid meal time of thirty (30) minutes.
- 18.02 All employees required to terminate their tour of duty away from their home terminal or headquarters point will be paid a meal allowance of thirty-nine (\$39.00) dollars per day for each twenty-four (24) hour period from the start of their tour of duty such employees are away from their home terminal unless meals are furnished by KRC. In the alternative, the employee may take a deduction for his meals on his income tax in lieu of the allowance at his option, but he must declare which option he chooses on June 15 of each year and the employee must stay with the option chosen for that year. The meal allowance will be prorated equally for each of the eight (8) hour segments in the following twenty-four (24) hour periods. Employees leaving their home terminal on a work assignment and returning to their home terminal will be allowed a meal allowance at the pro rata rate.
- 18.03 KRC will arrange suitable accommodation, at its expense for seasonal gangs working at remote locations where accommodation is not otherwise available. KRC shall also make suitable arrangements for meals for seasonal gangs working at remote locations. KRC shall consult with the United Steelworkers regarding the suitability of accommodations. When an employee is required to rest at points other than the designated home terminal of his assignment for four (4) hours or more, he shall be provided

- suitable lodging at KRC's expense. **Employer will endeavor to avoid overcrowding at work sites.**
- 18.04 When an employee is required to work away from his headquarters point or is required to attend a company meeting, KRC shall either provide transportation or reimburse the employee for the necessary cost of transportation. If the employee is permitted by KRC to utilize his own automobile, KRC shall reimburse him at the rate of **fifty (\$0.50)** cents per kilometre for the kilometres traveled via the most direct highway route unless otherwise approved by KRC. KRC will review this rate on an annual basis.

## ARTICLE 19 WORK SCHEDULING AND WAGES

- 19.01 Except as otherwise provided for in this Agreement, all employees covered by this Agreement shall be paid on an hourly basis. Unless otherwise specified in a particular job description or as covered in Article 20.03, a basic day is defined as eight (8) hours. Each regularly assigned employee shall be guaranteed a forty (40) hour work week which shall, unless otherwise posted in an individual job bulletin, start on a Monday of each week. Regular day shifts shall start at or between 0500 hours and 0800 hours. Notwithstanding the above, the starting time for an employee may be established or changed to meet the operational requirements of KRC by giving the employee forty-eight (48) hours notice of the change. Unless otherwise posted in an individual job bulletin, the work week shall be defined as a period beginning at 0001 hours of each Monday through 2359 hours of each Sunday.
- 19.02 Employees who absent themselves from their assignments for any reason during the work week shall have their pay adjusted in the next pay period by the actual number of hours below the standard hours in any week that they may be so absent.
- 19.03 Work assignments are covered as provided in the Appendices to this Agreement. Where possible, however, and wherever the requirements of service permit, assignments will in all departments be bulletined to work consecutive days and to provide a minimum of two (2) consecutive rest days in a work week with a presumption that Saturday and Sunday are the preferred rest days if the requirement of service permit. KRC will discuss the scheduling and implementation of assignments with the United Steelworkers. The parties recognize that to meet the service needs and operating conditions of KRC, the employee's work week may be bulletined with the scheduled rest days other than Saturday and Sunday.

- 19.04 KRC may request an employee to be moved from his regular assignment or may force such a move in an emergency. Emergency does not include manpower shortages or delays to a customer.
- 19.05 An employee who is absent for any authorized reason shall advise KRC at least two (2) hours in advance of his intention to return to work.
- 19.06 The attached wage appendix is incorporated into this Agreement by this reference and is made a part of it.

## ARTICLE 20 GROUP HEALTH AND OTHER BENEFIT PLANS

- 20.01 KRC shall maintain a group health benefit plan for its employees. A booklet outlining the coverage may be obtained from KRC. Employees must first meet the qualifying criteria as described in the group plan and as implemented by the insurance carrier or provider, before they are eligible to receive benefits. This insurance is only effective as long as the employee is eligible for insurance and becomes and remains insured as provided in the group policy.
- 20.02 a) KRC has established a group RRSP for its employees. KRC will match employees' contributions up to a maximum of 3% of gross wages.
  - b) Upon the completion of each calendar year, Employees who have not withdrawn any RRSP's during the previous year, shall be entitled to an additional 1% of gross wage earnings to be paid into their RRSP by the employer.
- 20.03 KRC reserves the right to change insurance carriers, providers or policies. KRC will consult with the United Steelworkers concerning changing benefit levels and as long as those benefit levels remain the same or better, KRC may implement them. If any reductions to the benefit levels or KRC's pension contribution level are to be made, KRC will obtain the approval of the United Steelworkers, which approval shall not be unreasonably withheld.
- 20.04 KRC will establish an Employee Assistance Program in consultation with the United Steelworkers.
- 20.05 KRC will establish an Employee Education Loan Program that will loan money to employees for courses taken by an employee that are, in the sole discretion of KRC, job related. This program will be developed after consultation with the United Steelworkers and shall consist of a forgivable loan whereby the loan

- will be forgiven over a given period of time after the completion of the approved course if the employee continues his employment with KRC.
- (a) Employees at the time of their layoff shall be entitled to continue their benefits coverage on layoff as long as the employee portion/contributions are paid, either by lump sum or monthly payments to the employer by the employee.

## ARTICLE 21 REPORTING PAY AND CALLING PROCEDURE

- 21.01 When an employee is called and reports for duty and, for any reason other than his own, is not used, he shall be allowed pay at the applicable straight time rate of pay for the first four (4) hours he is held, with a minimum of two (2) hours. If he is held longer than four (4) hours, he shall be paid eight (8) hours of pay at his applicable straight time rate of pay.
- 21.02 Except in an emergency, KRC shall provide at least a one and one-half (1½) hour call in advance of the on-duty time. KRC shall not be required to call an employee who is in assigned service except to inform him if a train is delayed and to inform him of the new on-duty time.

## ARTICLE 22 SAFETY AND HEALTH

- 22.01 KRC shall establish a Safety and Health Committee made up of one (1) member from management and two (2) members from the United Steelworkers. The Committee shall have two co-chairs, one chosen by KRC members and the other chosen by the bargaining unit members. The co-chairs shall alternate the function of chairing the meetings of the committee and shall participate fully in the deliberations and decisions of the committee.
- 22.02 The Safety Committee shall meet no less than quarterly and shall consult about and make recommendations to KRC concerning the furtherance of safety and health measures, including but not limited to the reduction of ergonomic hazards in the workplace and conduct such other functions as required by the Manitoba Workplace Health and Safety Act.
- 22.03 All personnel in these groups will be paid to attend these meetings.
- 22.04 No employee should carry out any work process or operate any tool or appliance where that employee has reasonable cause to believe that to do so would cause danger to his or her safety or health or to the safety or health of another

worker or another person. KRC and the United Steelworkers will follow the rules under the Workplace Health and Safety Act W210, Section 43 "Right to Refuse Dangerous Work". The work refusal process will permit the following:

- (a) A worker who refuses to work or do particular work under Section 43 shall promptly report the refusal and the reasons for it to his or her employer or immediate supervisor, or to any other person in charge at the workplace.
- (b) If KRC does not remedy the dangerous condition immediately, the person who receives the report of refusal to work, or a person designated by that person, shall immediately inspect the workplace in the presence of the worker and the worker co-chairperson of the committee or, if that person is unavailable, a committee member who represents workers.
- (c) The person required to inspect the workplace shall take any action necessary to remedy any dangerous condition, or ensure that such action is taken.
- (d) Until the dangerous condition is remedied, the worker who reported it may continue to refuse to work or do particular work.
- (e) If there is no immediate remedy, the employee and supervisor shall call the Company Safety Specialist and the worker co-chairperson of the Safety Committee, if not already present, to allow the Joint Committee an opportunity to remedy the dangerous condition.
- (f) When a worker has refused to work or do particular work under Section (43), KRC shall not request or assign another worker to do the work unless the other worker has been advised by the first worker, or by a safety and health officer, of the first worker's refusal and the reasons for it.
- (g) If the dangerous condition is not remedied after the inspection, any of the persons present during the inspection may notify a safety and health officer of the refusal to work and the reasons for it.
- 22.05 KRC shall allow each member of the safety and health committee to take educational leave for a period of two (2) normal working days to a maximum of sixteen (16) hours and one (1) additional normal working day to a maximum of eight (8) hours educational leave each year without loss of pay or benefits for the purposes of attending workplace safety and health training seminars as directed by the Safety Committee.

- 22.06 (a) KRC shall furnish, for those employees requiring the appropriate safety gear, hard hats, safety vests, non-prescription safety glasses, gloves, welder's protective clothing and an allowance for safety boots in the amount of two hundred (\$200.00) dollars per pair, to a maximum of two (2) pair per year for all employees. Employee is required to turn in receipt prior to receiving safety boot allowance. Employer will supply all employees with all appropriate safety gear prior to the commencement of work. Employee will be payroll deducted for the replacement of safety gear that is lost or deliberately damaged. In order to obtain new safety gear employees will be encouraged to turn in worn out or damaged safety gear. If safety gear is not provided in a timely manner employee shall not commence working nor suffer loss of wages as per their right to refuse unsafe work.
  - (b) KRC will provide an allowance of up to **three hundred twenty-five** (\$325.00) dollars every twenty-four (24) months for those employees who require prescription safety eyeglasses with permanent side shields.
  - (c) Employer will install a washer and dryer in Camp. And contract out Canadian linen for turnaround for coveralls.
  - (d) Employer will provide a satellite radio.
- 22.07 At the beginning of each year, full time permanent employees will be credited with five (5) legitimate sick leave days with pay starting January 1<sup>st</sup> of each year of which will not to be accumulated beyond the end of the year.

## ARTICLE 23 TECHNOLOGICAL CHANGE

- 23.01 If KRC proposes a technological change that is likely to affect the terms and conditions or security of employment of a significant number of KRC's employees, it will provide the United Steelworkers with notice of the technological change one hundred and twenty (120) days prior to the date on which the technological change is to be affected. The notice shall state the nature of the technological change, the date on which KRC proposes to effect the technological change, the approximate number and type of employees likely to be affected by the technological change and the effect the technological change is likely to have on the terms and conditions or security of employment of the employees affected.
- 23.02 For purposes of Article 23, technological change means the introduction by KRC into its work, undertaking or business of equipment or material of a different nature or kind than previously used by KRC in the operation of the

work, undertaking or business and a change in the manner in which KRC carries on the work, undertaking or business that is directly related to the introduction of that equipment or material.

## ARTICLE 24 TRAINING

- 24.01 KRC shall establish training and qualification programs for each classification after consulting with the United Steelworkers. These programs are intended to assist an employee to gain better knowledge of his job and learn new skills.
- 24.02 An employee who applies or accepts training and then refuses to fulfill the requirements for qualifying for the position or withdraws his acceptance prior to meeting said qualifications will be returned to his former position and be restricted from making application for the same position for one (1) year. In situations where extenuating circumstances are involved, the employee's case will be reviewed by KRC and the appropriate union officer.
- 24.03 If an employee successfully completes a training program established by the United Steelworkers and KRC and is qualified to perform the duties of the new classification, KRC may hold him in that new classification without penalty to the maximum amount of time equal to the training period unless otherwise agreed to by the parties. After the hold period, an employee may bid for a higher rated position and, if so awarded and then held by KRC in his current position, KRC will pay the employee the higher rate of pay during the period the employee is so held.

## ARTICLE 25 HUMANITY FUND

25.01 For the purpose of international aid and development, KRC agrees to deduct on a bi-weekly basis the amount of (not less than \$0.01) per hour from the wages of all employees in the bargaining unit for all hours worked to a maximum of forty (40) straight time hours per week, and on a bi-weekly basis, to pay the amount so deducted to the Humanity Fund and to forward such payment to:

United Steelworkers National Office 234 Eglinton Avenue E., 7th Floor Toronto, Ontario M4P 1K7

and to advise in writing both the Humanity Fund at the aforementioned address and the United Steelworkers that such payment has been made, the

- amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.
- 25.02 The first Humanity Fund deduction as aforesaid shall be the fifth (5th) week following the ratification of this Agreement.
- 25.03 It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions set forth above may be discontinued by any employee in the bargaining unit after the receipt by KRC and the United Steelworkers of that employee's written statement of his desire to discontinue such deductions from his pay which may be received during the four (4) weeks following ratification of the Agreement or at any time thereafter.
- 25.04 It is agreed that the total for each employee's yearly deduction will be entered in Box 46 (Charitable Contribution) of the Revenue Canada T-4 slip for the year it has been deducted. For this purpose, the payroll department will note the Charitable Donation number for the Humanity Fund.
- 25.05 Written authorization by each bargaining unit member shall be submitted to KRC before commencement of deductions for the above-noted program.
  - Cancellation of participation in the Humanity Fund shall also be submitted in writing to KRC.

## ARTICLE 26 NO DISCRIMINATION

26.01 KRC and the United Steelworkers agree that there will be no discrimination against any employee because of race, creed, colour, sex, national origin or union membership. KRC and the United Steelworkers further agree that all employees in the bargaining unit will be treated equally with respect to work assignments, supervision, and any other matters pertaining to employment so as to safeguard against any conduct which may be considered as personal harassment.

#### 26.02 Harassment

(a) KRC and the United Steelworkers recognize the right of employees to work in an environment free from harassment and discrimination. Both parties acknowledge a responsibility to ensure such an environment exists in which employees do not engage in or become subject to discriminatory and harassing behaviour as defined under the Manitoba Human Rights Code. KRC undertakes to discipline any person employed by KRC engaging in the harassment of another employee. KRC may also undertake discipline or other appropriate action against any employee who, under this article, makes a claim of harassment that is determined to be frivolous, vexatious or vindictive in nature.

- (b) Sexual harassment shall be defined as:
  - (i) inappropriate touching including which is expressed to be unwanted;
  - (ii) suggestive remarks or other verbal abuse with a sexual connotation;
  - (iii) compromising invitation;
  - (iv) repeated or persistent leering at a person's body;
  - (v) demands for sexual favours;
  - (vi) sexual assault.
- (c) Personal harassment is any behaviour at the work place that denies an individual their dignity or respect. Personal harassment involves persistent hostile, obnoxious, or intimidating behaviour that creates an intimidating, offensive or embarrassing work environment. Personal harassment is targeted at a person or group of people because of a personal dislike or personality conflict, and not solely because of race, religion, colour, sexual orientation, or any other of the prohibited grounds under the Manitoba Human Rights Code. It may include but is not limited to the following:
  - (i) Unwelcome remarks, jokes, innuendoes or taunting about a person's racial or ethnic background, colour, place of birth, citizenship, ancestry or religion;
  - (ii) Displaying of racist or bigoted ethnic pictures or materials;
  - (iii) Exhibiting hostile, obnoxious, or intimidating behavior;
  - (iv) Unwanted physical contact.
- (d) In cases of harassment, the employee being harassed has the right to discontinue contact with the alleged harasser without incurring any penalty, pending determination of the grievance. In cases where

- harassment may result in the transfer of an employee where possible, it shall be the harasser who is transferred. The employee who is harassed will not be transferred against his/her will.
- (e) An employee may initiate a grievance under this clause at a step of the grievance procedure. Grievances under this clause will be handled with all possible confidentiality and dispatch.
- (f) An alleged offender under this clause shall be entitled:
  - (i) to be given notice of the substance of a grievance under this clause;
  - (ii) to be given notice of and to attend, participate in and be represented at any arbitration hearing which is held as a grievance under this clause.
- (g) An arbitrator, hearing a grievance under this clause, shall have authority to:
  - (i) dismiss the grievance;
  - (ii) determine the appropriate level of discipline,
  - (iii) make such further order as may be necessary to provide a final and conclusive settlement of the grievance.
- (h) An alleged offender under this clause shall not be entitled to grieve disciplinary action taken by KRC which is consistent with the award of the arbitrator.
- 26.03 KRC agrees to provide the United Steelworkers joint anti-harassment workplace training entitled "Building Respectful Workplaces" to all employees during normal scheduled work hours, with such program to be presented by a United Steelworkers Harassment Counsellor. Such training will be conducted on KRC premises and all costs will be borne by KRC.

## ARTICLE 27 TERM OF AGREEMENT

27.01 This Agreement shall become effective on upon January 1,2018 and shall continue in effect until **December 31, 2021**. Thereafter, this Agreement shall continue in effect from year to year unless either party gives notice to the other of its desire to revise or supersede this Agreement. Such notice is to

- be given not more than ninety (90) days and not less than thirty (30) days prior to the date upon which this Agreement would otherwise expire or terminate.
- 27.02 The provisions of Article 27.01 shall not be construed so as to constrain the parties to this Agreement from making any changes to or from adding to the scope or application of or from extending the provisions of this Agreement during the term of this Agreement that are mutually acceptable.
- 27.03 Rules necessary to meet local conditions may be negotiated and made effective, subject to the approval of KRC and United Steelworkers and subject further to the right of either party to cancel the rule on thirty (30) days written notice.

Signed at,	Manitoba this day of	, 2019
Keewatin Railway Company	United Steelworkers, Local <b>7106</b>	
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## APPENDIX A RATES OF PAY

## **APPENDIX A RATES OF PAY**

Position	2018	2019	2020	2021
Field Maintainer	\$30.76	\$31.68	\$32.31	\$32.96
B Mechanic	\$28.57	\$29.43	\$30.02	\$30.62
Track Welder	\$29.49	\$30.37	\$30.98	\$31.60
Welder Trainee	\$26.20	\$26.99	\$27.53	\$28.08
Extra Gang Foreman (10 or more men)	\$28.25	\$29.10	\$29.68	\$30.27
Extra Gang Foreman (9 or fewer men)	\$26.84	\$27.65	\$28.20	\$28.76
Track Foreman	\$26.25	\$27.04	\$27.58	\$28.13
Group 1 Operator	\$28.36	\$29.21	\$29.79	\$30.39
Group 2 Operator	\$26.15	\$26.93	\$27.47	\$28.02
Camp Cook	\$25.84	\$26.62	\$27.15	\$27.69
Trackman	\$22.77	\$23.45	\$23.92	\$24.40
Bull Cook	\$22.46	\$23.13	\$23.59	\$24.06
Casual Labourer (Ticket Clerk, Coach Cleaner)	\$18.46	\$19.01	\$19.39	\$19.78

2018 - 0%, 3 paid days of Overtime on first payroll for all employees who return to work

2019 - 3%

2020 - 2%

2021 - 2%

During the Life of the Collective Agreement any new positions added within KRC Operations will be done through consultation with the Union.

#### APPENDIX B

## Section 1. Temporary Work

KRC may hire temporary employees for special work projects. The projects will not constitute work that normally or regularly forms part of the regular work of the regular or seasonal forces. Employees hired under this Section will occur only if there are no laid off employees covered by the United Steelworkers seniority list. KRC will recall laid off employee before hiring casual workers and will notify the United Steelworkers of what work will be performed and how long that work will be performed. Any person hired under this Section will be subject to displacement by regular or seasonal employees who are issued layoff notices or their assignment is terminated or completed. Headquarters for temporary workers will be their primary residence.

(a) It is understood that, when an employee has occupied a temporary vacancy position away from his or her home location and a temporary position that the employee's seniority entitles the employee to later becomes available at the employee's home location, the employee will have the option of returning to his or her home location to fill that temporary position or stay on the temporary position away from the home location. If the employee opts to stay on the temporary position away from his or her home location, he or she will not be eligible for expenses.

#### Section 2. Accommodations for Seasonal Gangs

KRC will provide seasonal work crews with both accommodations and a meal allowance of **thirty-nine** (\$39.00) dollars a day or a per diem of **one hundred and thirty-two** (\$132.00) dollars for meals and accommodations at the employer's discretion.

KRC will increase the meal allowance to \$43.00 a day effective January 1, 2021 and increase the daily per diem for meals and accommodation to \$136.00.

KRC and the USW will agree on meal allowance at other locations based on kitchen privileges and food costs at those locations.

KRC will arrange suitable accommodations at its expense for seasonal work crews working at remote locations where accommodation is not otherwise available. KRC will also make suitable arrangements for meals for seasonal work crews working at remote locations. KRC will consult with United Steelworkers regarding the suitability of accommodations.

## Section 3. Work Cycle Arrangements

Various work cycle arrangements may be established by mutual agreement between the proper officers of KRC and United Steelworkers. Such work cycle variations may include, for example, four (4) ten (10) hour days followed by three (3) rest days, ten (10) work days followed by four (4) rest days, fifteen (15) work days followed by six (6) rest days or eight (8) work days (of ten (10) hours each) followed by six (6) rest days.

#### Section 4. Contracting Out

Work presently and normally performed by United Steelworkers employees who are subject to the provisions of this Agreement shall not be contracted out except under the following circumstances:

- (a) when technical skills are not available from within KRC; or
- (b) where sufficient employees qualified to perform the work are not available from the active or laid off list of employees and such work cannot be delayed until such employees become available; or
- (c) when essential equipment or facilities are not available and cannot be made available at the time and place required from either KRC owned property or bona fide leased from other sources at a reasonable cost without the operator; or
- (d) when the nature or volume of work is such that it does not justify the capital or operating expenditure involved; or
- (e) the required time of completion of the work cannot be met with the skills, personnel or equipment on the property; or
- (f) where the nature or volume of the work is such that undesirable fluctuations in employment would automatically result.

In no event will contracting out result in the layoff of bargaining unit employees. Notwithstanding the right of KRC to contract out under this Section, KRC will endeavour to utilize seasonal gangs wherever feasible before contracting out that work.

At a mutually convenient time but no later than February 1 of each year, KRC will provide United Steelworkers reasonable notice of its plan to utilize contractors. At a mutually convenient time, KRC and United Steelworkers shall meet to discuss KRC's

plans to contract out work. If United Steelworkers is unavailable for such a meeting, such unavailability shall not delay implementation of KRC's contracting out plan. If KRC is unavailable for such a meeting, it may not proceed with the contracting out until after the meeting is held.

If a contingency other than that covered by this Section arises, causing KRC to need to contract our work pursuant to this Section during the course of the calendar year, KRC shall notify United Steelworkers of that need. Except in cases of emergency, notice of any contract will be given to United Steelworkers at least thirty (30) days prior to commencement of the work. If United Steelworkers requests a meeting to discuss the notice, the meeting will be arranged without undue delay.

In December of each year, KRC will provide the International Staff Representative or his authorized representative, on a confidential basis, a summary of the amount spent on contracted out projects.

#### Section 5. Payment for General Holidays, Bereavement and Jury Duty

Employees will be paid the equivalent of straight time pay for each day of General Holiday, Bereavement and Jury Duty. Payment for Jury Duty is modified further pursuant to Article 13 of the Agreement. Employees who are not required to work on a General Holiday shall be paid eight (8) hours' pay at the straight time rate of their regular assignment. Employees working a cycle other than eight (8) hours per day will be compensated an equal number of hours for the General Holiday.

## Section 6. Training

The track foreman, extra gang foreman, machine operator, machinist/field maintainer and welder will participate in the training of employees in each of those respective crafts. These individuals will be compensated for one (1) hour for each tour of duty up to twelve (12) hours and for two (2) hours for each tour of duty that exceeds twelve (12) hours at the rate of pay applicable to the service in which training is provided. This allowance for training shall not be used to calculate the forty (40) hour work week or overtime. The employee doing the training will be required to fill out progress reports on a tour of duty basis and submit the report to KRC to assist in the evaluation of the students.

#### Section 7. Bidding

In conjunction with Article 15.01, prior to filling permanent positions externally, all positions will be posted internally. Successful applicants must be able to qualify.

Positions will be awarded on the basis of seniority first within that classification in which the position was posted and then on senior service with KRC.

#### Section 8. Abolishment of Permanent Positions

- (a) When an employee's permanent assignment is abolished or when he is displaced from his permanent assignment while he is working on a temporary assignment, he will be required to declare to another permanent assignment on the effective date of the notice. Employees not claiming a permanent assignment at the time they are affected will not be permitted to displace a junior employee holding a permanent position until such time as they re-establish themselves by bulletining on a permanent position.
- (b) In the event of reduction of staff, senior employees who could have applied for a permanent position in a classification in which they hold seniority and do not hold a permanent position will not be permitted to displace a junior employee holding a permanent position.
  - Employees placed in a situation to exercise their displacement rights from a permanent position will not be permitted to displace a junior employee holding a permanent position until such time as they re-establish themselves, by bulletin, on a permanent position.
- (c) In cases of displacement from a permanent position or the abolishment of a permanent position, employees placed in a situation to exercise their displacement rights may declare to a permanent position or may displace to a temporary position before reporting to their new permanent position.

#### Section 9. Weekend Travel Allowance

KRC will pay **fifty (\$0.50)** cents per kilometer for seasonal work crews when the employee's work location is fifty (50) kilometers or more away from his home address. The allowance will be paid from his work location to his home location. The allowance is payable to the owner of the vehicle only, for each cycle. The vehicle must be used or the allowance will not be paid and there will be no allowance if KRC provides the transportation.

#### Section 10. Travel Time Provision

KRC will pay travel time for employees working on the Sherridon Subdivision actual time travelled not to exceed eight (8) hours from the work location on the Sherridon Subdivision to your primary residence.

#### Section 11. Provision of Tools

KRC will provide hand tools for the machinists/field maintainers. If the machinist/field maintainer already has his own tools, he will provide KRC with a list of those tools and KRC will determine the value of said tools and pay the machinist/field maintainer up to one thousand five hundred (\$1,500.00) dollars for use of those tools. KRC will exchange a replacement tool for a broken tool for machinists/field maintainers for those tools on the list. In recognition that these tools are shared by other employees, KRC will replace any such tools on the list that are lost, up to a value of five hundred (\$500.00) dollars per year. KRC will also provide the machine operators hand tools, one time.

# Section 12. Expenses for Temporary Trackmen, Track Foremen and Machine Operator (Exclusive of Seasonal Work Crews) at Away from Home Locations

- (a) KRC will provide a temporary, as defined above, with either accommodations and a meal allowance of thirty-nine (\$39.00) dollars per day or one hundred and thirty-two (\$132.00) dollars per day for meals and accommodations, at KRC's discretion. On the fourth year (2021) of the CBA, KRC will provide a temporary, as defined above, with either accommodations and meal allowance for fortythree (\$43.00) dollars per day or one hundred and thirty-six (\$136.00) dollars per day for meals and accommodations, at KRC's discretion. If accommodations and meals are provided it is understood the cook will provide (3 meals per day).
- (b) KRC will pay fifty (\$0.50) cents per kilometer weekend travel allowance if the employee is displaced or is awarded a temporary vacancy position to remain working, if there is no work available at the employee's home location. The weekend travel allowance will be paid from his work location to his home location. Any employee at the date of ratification who moves outside the network or further away from the network than he is at the time of ratification will no longer be entitled to temporary expenses as defined in this Section. If the employee travels, the allowance will be paid from the work location to his home location. The allowance is payable to the owner of the vehicle only. The vehicle must be used or the allowance will not be paid and there will be no allowance if KRC provides the transportation.