

CANADIAN RAILWAY OFFICE OF ARBITRATION

CASE NO. 235

Heard at Montreal, Wednesday, September 9th, 1970

Concerning

CANADIAN NATIONAL RAILWAY COMPANY

and

**BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES**

DISPUTE:

The Brotherhood claims the Company violated Article VIII of the job Security Agreement of January 29, 1969 when they closed the St. John's Coastal Office February 16, 1970.

JOINT STATEMENT OF ISSUE:

On February 16, 1970, Canadian National Railways closed their St. John's Coastal Office and laid off the Cashier and Rate Biller.

The Brotherhood claims it is a violation of Article VIII of the January 29, 1969 Job Security Agreement and has requested that conditions be rolled back to what they were prior to the February 16, 1970 layoff.

The Canadian National Railways has denied this request, stating that there is no violation of Article VIII of the January 29, 1969 Job Security Agreement.

FOR THE EMPLOYEES:

(SGD.) E. E. THOMS
GENERAL CHAIRMAN

FOR THE COMPANY:

(SGD.) K. L. CRUMP
ASSISTANT VICE-PRESIDENT, LABOUR RELATIONS

There appeared on behalf of the Company:

P. A. McDiarmid – System Labour Relations Officer, Montreal
G. James – Assistant Labour Relations Officer, Moncton
H. E. Dickinson – Terminal Traffic Manager, St. John's
L. V. Collard – System Labour Relations Officer, Montreal

And on behalf of the Brotherhood:

E. E. Thoms – General Chairman, Freshwater, P.B.
M. Peloquin – Administrative Assistant to International Vice-President, Montreal

AWARD OF THE ARBITRATOR

The material provisions of Article VIII of the job security agreement are as follows:

1. The Company will not put into effect any technological, operational or organizational change of a permanent nature which will effect a material change in working conditions with adverse effects on employees without giving as much advance notice as possible to the General Chairman representing such employees or such other officer as may be named by the union concerned to receive such notices. In any event, not less than three months' notice shall be given if relocation of employees is involved, and two months' notice in other cases, with a full description thereof and with appropriate details as to the consequent changes in working conditions and the expected number of employees who would be adversely affected.

...

5. The terms Technological, Operational and Organizational change shall not include normal reassignment of duties arising out of the nature of the work in which the employees are engaged nor to changes brought about by fluctuation of traffic or normal seasonal staff adjustments.

The St. John's Coastal Office was shut down because of a very substantial decline, seasonal in nature, of traffic volumes. During the years 1967 to 1969 this seasonal decline had not occurred, because of the rerouting of traffic due to a rebuilding of traffic at Port aux Basques. In 1970 few facilities at Port aux Basques were in operation, and the seasonal decline at St. John's – a long-term characteristic of the operation – recurred. In earlier years, employees had been laid off on this account, although it would seem that the office had not been closed, one employee at least being retained at work. In recent years even those employees normally subject to seasonal layoff, and holding jobs which had been bulletined as "seasonal" were retained at work throughout the year. In 1970, however, their layoff was again justified by seasonal conditions. Whatever may be said as to the "seasonal" or "permanent" nature of the jobs held by those persons (a matter which would affect their exercise of seniority rights), it seems clear that the layoff and the closing of the office was a change brought about by "fluctuation of traffic", and was a "normal seasonal staff adjustment".

It was perhaps not "normal" for the entire office to be closed, but the only abnormality is that the layoff extended that far. The seasonal layoff itself was normal enough, having regard to the long-term pattern of operations. The absence of a seasonal slow-down in recent years was attributable to the reconstruction at Port aux Basques, but even if this reconstruction itself were considered a "technological change", there was no such change at St. John's.

The decisive consideration in the instant case, however, is that the operational or organizational change, if it may be so described, was not a change of a permanent nature. It was a seasonal layoff, and since it extended to all employees resulted in a closing of the office for the winter. This is simply not the sort of situation to which the rather special provision of Article VIII are directed. It was a temporary change brought about by fluctuations of traffic.

For these reasons the grievance must be dismissed.

(signed) J. F. W. WEATHERILL
ARBITRATOR