

# CANADIAN RAILWAY OFFICE OF ARBITRATION

## CASE NO. 1810

Heard at Montreal, Wednesday, 13 July 1988

Concerning

**CANADIAN NATIONAL RAILWAY COMPANY**

And

**CANADIAN BROTHERHOOD OF RAILWAY,  
TRANSPORT AND GENERAL WORKERS**

### **DISPUTE:**

The request of Messrs. R. D. Rogers, A. L. Pidhirney and M. Bialoszewski to be permitted to withdraw from Direct Deposit Service.

### **JOINT STATEMENT OF ISSUE:**

In 1985 Messrs. Rogers, Pidhirney and Bialoszewski enrolled in the Company's Direct Deposit Service. This service provides for the electronic transfer of an employee's net pay directly into his or her bank account. On May 2, 1986, the grievors requested to withdraw from the Direct Deposit Service.

The Company declined the request on the basis that enrollment in Direct Deposit Service was on the basis that once an employee enrolled in this service, he or she could not unilaterally withdraw from it.

The Brotherhood contends that the Company's position with respect to withdrawal from Direct Deposit Service is a violation of Article 28, paragraph 28.1. It further contends that the matter of enrollment in the Direct Deposit Service is a matter which must be negotiated between the parties. It therefore requests the grievors be permitted to withdraw from Direct Deposit Service.

The Company disagrees.

### **FOR THE BROTHERHOOD:**

**(SGD) TOM MCGRATH**  
NATIONAL VICE-PRESIDENT

### **FOR THE COMPANY:**

**(SGD) W. W. WILSON**  
FOR: ASSISTANT VICE-PRESIDENT, LABOUR RELATIONS

There appeared on behalf of the Company:

M. M. Boyle – Labour Relations Officer, Montreal  
S. F. McConville – Labour Relations Officer, Montreal

And on behalf of the Brotherhood Union:

A. Cerilli – Regional Vice-President, Winnipeg  
R. Storness-Bliss - Regional Vice-President, Vancouver  
H. Critchley – Representative, Edmonton

**AWARD OF THE ARBITRATOR**

The Collective Agreement makes no provision with respect to the method of payment of employees' wages. Article 28.1 provides as follows:

**28.1** Employees will be paid every other Thursday during their regular working hours. When a holiday falls on a Thursday which is a pay day, employees will be paid on the preceding Wednesday.

The material discloses that the grievors authorized the direct deposit service by the Company. It now declines their request to withdraw from that system of payment. The issue is whether this is a matter which can be implied as a term of the Collective Agreement.

The Union's concern is understandable. The literature distributed to employees would, on its face, suggest that employees are entitled to "try" the direct deposit system. As was noted at the hearing, that would suggest an ability to withdraw from it if they are not satisfied. Without condoning the administrative approach taken by the Company, whose representative asserts that employees were told verbally that they could not withdraw from the system once opted in, and without making any comment on the contractual liability of the Company in respect of individual civil actions, the Arbitrator must conclude that, absent any language in the Collective Agreement governing the method of payment, this grievance is not arbitrable.

For the foregoing reasons the grievance is dismissed.

July 15, 1988

**(SGD) MICHEL G. PICHER**  
ARBITRATOR