CANADIAN RAILWAY OFFICE OF ARBITRATION CASE NO. 3200

Heard in Montreal, Thursday, June 14, 2001

concerning

CANADIAN NATIONAL RAILWAY COMPANY

and

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW-CANADA)

EX PARTE

DISPUTE:

Withdrawal of bridging offer to Serge Savard, Montreal Intermodal Terminal.

EX PARTE STATEMENT OF ISSUE:

In July 1999, the grievor became totally disabled as a result of a psychological condition having its origin in the workplace.

In November 1999, following discussions between management and union representatives, the Company, in the person of the terminal director, offered an irrevocable bridging package to the grievor, which offer was signed by the director and concurred in through their signatures by the Union and the grievor.

Some days after, the Company advised that on account of the grievor's age and service, he was not eligible for a bridging package and offered him another less advantageous form of severance, which he declined.

After many discussions the Company notified the Union in a final way, in September 2000, that it did not intend to honour the original signed agreement. The Union filed a grievance.

The Union submits that the offer of a bridging package pursuant to the terms of article 7.14(b) of the ESIMA, and agreed to in a signed document by both parties and the employee, binds the parties. The Union further submits that the Company's signed offer, followed by its change of heart, and it continuing refusal to respect the original agreement, has caused and continues to cause severe prejudice to the grievor's economic interests and to his health. The Union requests an order that the employer respect the November 1999 agreement and be required to pay such other damages as may be just and equitable in the circumstances.

The Company denies the Union's contentions.

FOR THE UNION:

(SGD.) N. PITCHEN

FOR: NATIONAL REPRESENTATIVE

There appeared on behalf of the Company [among others]:

D. S. Fisher – Director, Labour Relations, Montreal

And on behalf of the Union [among others]:

National Representative, MontrealGrievor A. Rosner

S. Savard

At the request of the parties, the hearing was adjourned by the Arbitrator and ultimately resolved between the parties.