CANADIAN RAILWAY OFFICE OF ARBITRATION & DISPUTE RESOLUTION

CASE NO. 3623

Heard in Montreal, Wednesday, July 11, 2007

Concerning

CANADIAN NATIONAL RAILWAY COMPANY

and

TEAMSTERS CANADA RAIL CONFERENCE EX PARTE

DISPUTE:

Appropriate remedy regarding sixteen (16) separate violations of Article 61.6(c) and Addendum No. 86, Agreement 1.2 and the Arbitrator's cease and desist order in CROA & DR Case No. 3572.

UNION'S STATEMENT OF ISSUE:

In keeping with the Arbitrator's Award in CROA & DR Case No. 3572, the parties met on August 24 and September 7, 2006, to negotiate a mutually acceptable remedy under the provisions of Addendum No. 111, Agreement 1.2, related to the Company's ongoing violation of Article 61.6(c), Agreement 1.2 and the Arbitrator's Award in CROA & DR Case No. 3331. An agreement was reached between the parties that satisfied the remedy provisions of Addendum No. 111 and compensated the Union for its costs associated with bringing the dispute before the Arbitrator.

Subsequent to the parties' agreement on a suitable remedy, the Company has continued to violate Article 61.6(c) and to flagrantly defy the Arbitrator's cease and desist order in CROA & DR Case No. 3572. From November 8, 2006 to April 3, 2007, the Company has acknowledged sixteen (16) additional violations affecting thirty-two (32) Locomotive Engineers.

The Union has demanded that the Company comply with the Arbitrator's direction to cease and desist from the violation of Article 6 1.6(c) and Addendum No. 86, In addition, the Union contends that the previously agreed upon remedy does not contain sufficient deterrent value to ensure continued correct application of the Collective Agreement. As a result, the Union has demanded that the remedy for the violations which occurred between November 8, 2006 and April 3, 2007, must be increased accordingly. The Union has also requested increased damages for its costs associated with bringing this matter before the Arbitrator for the fourth time.

The Company disagrees with the Union's position and contends that the previously agreed upon remedy is appropriate and represents a substantial deterrent.

FOR THE UNION:

(SGD.) B. WILLOWS GENERAL CHAIRMAN

There appeared on behalf of the Company:

B. Laidlaw – Manager, Labour Relations, Winnipeg
D. VanCauwenbergh – Director, Labour Relations, Edmonton
D. Crossan – Manager, Labour Relations, Prince George

G. Farpo – Trainmaster, Jasper

And on behalf of the Union:

M. A. Church – Counsel, Toronto

B. Willows – General Chairman Edmonton
T. Markewich – Vice-General Chairman Edmonton
B. Ermet – Vice-General Chairman, Jasper

The hearing was adjourned *sine dies* and ultimately resolved between the parties.