



TEAMSTERS CANADA RAIL CONFERENCE

CONFÉRENCE FERROVIAIRE DE TEAMSTERS CANADA

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November 23, 2009

All Division Officers
Canadian National Railways

Dear Sisters and Brothers,

As you know, we met with Canadian National Railways over the past week in an attempt to negotiate a fair and equitable Collective Agreement for our members but, unfortunately, we have not been successful. The entire week was marred by long periods of delay, initiated by the company, and no real discussion was developed on many of the outstanding regional and national issues.

On Thursday, November 19, the company made a proposal, which was substandard to anything that we have seen negotiated with other Unions at CN or any of the major carriers, including those in the United States. The four year proposal was a step backwards in our negotiations and something that was totally unpalatable. For example, the four-year agreement between CN and the USWA contained wage increases that were 4.75% higher than the Company's four-year proposal to us.

The Health Care Savings Account, enjoyed by all other Unions was withdrawn from the table, coupled with the withdrawal of the most basic item in any negotiations, retroactive pay for our members. While we consider this to be a bargaining tactic on the Company's part, these are simply two of the most basic items associated with this round of negotiations that have been removed. In our view, this clearly shows the company's unwillingness to negotiate in good faith.

On Friday morning, we responded to the company's proposal with a very reasonable solution which was flatly rejected by the company. We also outlined four specific time periods in which we could continue negotiations, all of which were also rejected by the company.

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Nevertheless, our position is to continue to push the company to negotiate a satisfactory collective agreement but we are unable to forecast the thought process that is developing under the present direction of Hunter Harrison. We have to say that the possibility of a change in the terms and conditions of our Collective Agreement or a full blown lockout is not out of the question.

In addition, in light of the events which transpired on Friday, we will be exploring the ability to file a “bargaining in bad faith” complaint against Canadian National Railways as it is obvious they are looking for third party intervention and arbitration rather than good faith bargaining.

We appreciate your support and we will keep you informed on any development as quickly as possible.

In Solidarity,

Your Negotiating Committee




D.J. Shewchuk
President



René Leclerc
General Chairman



Paul Vickers
General Chairman



Bruce Willows
General Chairman

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