



# TEAMSTERS CANADA RAIL CONFERENCE DIVISION 320



**Social and Communications Office**  
20358-118<sup>th</sup> Ave  
Maple Ridge, B.C.  
V2X 2M4  
[www.tcrc320.org](http://www.tcrc320.org)

November 30, 2009

**Subject: More updates on Strike and Proposed Legislation (update 9)**

Dear Brothers and Sisters,

A lot has happened today. Quite frankly it's a sad day once again for Labour. Legislation has been introduced, Parliament commenced debate on the idea of fast tracking the legislation, and all political parties are weighing in and/or deciding which way to vote. Appended is a news bulletin as posted on our TCRC National site, and a link to one particular story on that site, with a CBC news clip.

In Solidarity,

Murray Douglas  
TCRC Div 320  
S&C Officer  
604-312-1074

[TCRC National with CBC news clip](#)

## Ottawa moves quickly to end CN strike

**Published:** November 30th 2009

**Source:** Financial Post

The federal government served notice it won't tolerate anything derailing Canada's economic recovery by swiftly introducing back-to-work legislation in the House Monday for 1,700 locomotive engineers at Canadian National Railway Co. less than three days after their strike began.

The engineers, represented by the Teamsters Canada Rail Conference, walked off the job at midnight Saturday after the railway attempted to unilaterally impose contract and wage changes on them last week following 14 months of failed labour negotiations — six of which were aided by a federal mediator.

Rona Ambrose, the federal labour minister, served notice just 11 hours after the strike began that she intended to introduce the back-to-work bill Monday despite CN saying its operations remained "fluid" with few disruptions as management filled in for the striking workers.

The Conservative government also introduced a motion Monday that would keep the House from adjourning before the matter is resolved once the debate begins. MPs could vote as early as Wednesday, with the NDP's opposition day Tuesday expected to delay the vote.

Maria Minna, the Liberal labour critic, said her party needed more information about the bill and its impact before deciding on whether to support it. But the Bloc Quebecois and the NDP are expected to oppose the legislation.

Chris Charlton, the federal NDP labour critic, called it "preposterous" how quickly the government was willing to enact the legislation.

"Back-to-work legislations should be a last resort," she said in an interview. "I'm assuming that management clearly believes they have government in their back pocket and that the government is the silent partner at the negotiating table."

She noted that since 1950, Ottawa has implemented back-to-work legislation 32 times, seven of which were related to the rail sector, including the last time such a bill was enacted in April 2007.

At that time, the Harper government forced 2,800 of CN's striking conductors back to work, and both sides to a final-offer arbitration.

CN's final offer was eventually chosen, but the 21-day strike cost the railway an estimated \$35-million in lost profit that year, and dragged on Canada's exports of grain, retail goods, lumber, metal and minerals.

Ms. Ambrose said Monday the government had moved swiftly on the file because any disruption to CN's network risked derailing the broader economy.

"This is more than a private dispute between CN Rail and the Teamsters Canada Rail Conference," she said in a statement. "It has serious repercussions for the national economy at a time when Canada's recovery from the global recession is still fragile."

Shippers reacted favorably to the news, noting that any disruption to CN's network resulting from a prolonged strike would have negative implications.

Douglas Porter, BMO Capital Markets deputy chief economist, estimates a month-long strike could initially reduce the level of real gross domestic product by 0.3% to 0.4% from what it might have otherwise been. However, he said this loss would likely be rapidly reversed in the subsequent months as the railway worked through its backlog of shipments. Mr. Porter cautioned that this not an insignificant impact with the economy as fragile as it is today.

The main sticking point in the dispute at the railway remains CN's desire to increase the maximum number of miles its engineers can work in a month to 4,300 miles, from 3,800, although wages are also an issue.

CN says raising the mileage cap will only increase the number of days the engineers work a month on average by one.

But the union contends the changes could result in layoffs, and may increase the number of hours its engineers work a week from 72 to 82.

Despite the deadlock, CN took the unusual step last week to unilaterally impose the increase to the mileage cap and to raise the engineers wages by 1.5% outside of bargaining after the TCRC refused to submit the matter to binding arbitration. This riled the union, which then served strike notice.

Dan Shewchuck, TCRC president, said the union is not interested in raising the mileage cap and was disappointed by how quickly the government stepped in after the strike began.

"It takes our ability to negotiate collective agreements away," he said. "I think [Ottawa] should put some pressure on Canadian National to resolve the issue and to not simply fall into the trap we feel CN has set for them."

The engineers have been working without a contract since Dec. 31, 2008, and make more than \$100,000 a year on average, the company said.