

ARTICLE 109 - LAYOFF & RECALL

Note: Formerly November 13, 2004 Letter Re: Layoff & Recall and Article 65 CTY West and CTY East.

NOTICE OF LAYOFF

109.01 Employees will be given a 10-day notice of lay off, in writing. In the event of a strike or work stoppage by employees at Canadian Pacific Railway, a shorter layoff notice and recall period may be given.

109.02 Once an employee has been issued notice of layoff, should the needs of the business change, such notice may be rescinded prior to layoff. Once such notice is rescinded, a new 10-day notice of layoff must be provided prior to laying off the employee. All related notices must be in writing. (Note: Formerly November 13, 2004 Letter Re: Layoff & Recall.)

109.03 If not required during the 10-day notice of lay off, employees may be required to go into training, perform familiarization or work at another location on the district. Employees will not be required to work at a location where there are laid off employees at that location. If required to work/familiarize at another location, employees to be provided transportation to and from the work location and suitable accommodation at that location. Employees may, upon mutual agreement, use this period to familiarize at a location off district. Benefits to be provided as per the provisions for employees working temporarily off of the district.

LAY-OFF PROTOCOL

109.04 In the event of layoff, all affected junior employees at specific terminals will received ten (10) days' notice of layoff, by 2201 Thursday, followed by written notification. Such notification will include a reference to the application cut-off date/time should an employee chose to exercise seniority.

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109.05 Employees who choose to continue working at other terminals, will be required to submit a bid, denoting a location(s) of preference (in descending order of preference), should the employee be subject to layoff.

109.06 This bid form will be utilized to identify the preferred location(s) for WPP purposes.

109.07 Employees may amend this bid form at any time, up to and including 16:00 of the Thursday preceding the lay-off date. If no changes are provided, the bid will stand and the employee will be placed accordingly.

109.08 Employees who do not submit a timely bid will thereby accept lay-off.

Note: It should be noted that once lay-off is accepted, these employees may only exercise seniority upon recall or at the next General Advertisement of Assignments.

109.09 Upon receipt of an employee's application to exercise seniority upon lay-off, the Company may choose to issue a lay-off notice in the Terminal to which the employee has exercised seniority.

109.10 Employees who are not familiarized at the new location will be familiarized as per the Collective Agreement.

109.11 This process will continue until such time as layoffs cease at the terminals affected.

RECALL

109.12 Employees who have been laid off due to reduction of staff will receive 15 days' notice by registered mail when being recalled for service.

109.13 Employees must be provided a 15-day notice of recall. Should an employee wish to return to active service prior to the 15 days, they may do so if required. In no case shall a junior laid off employee be permitted to return to active service prior to the expiration of the 15-day notice without providing the same opportunity to a senior laid off employee who has been provided the same notice. (Note: Formerly November 13, 2004 Letter Re: Layoff & Recall)

109.14 Employees will be recalled for a minimum of 35 consecutive calendar days. If not required during the 35 consecutive calendar days, employees may be required to go into training, perform familiarization or work at another location on the district. Employees will not be required to work at a location where there are laid off employees at that location. If required to work/familiarize at another location, employees to be provided transportation to and from the work location and suitable accommodation at that location. Employees may, upon mutual agreement, use this period to familiarize at a location off district. Benefits to be provided as per the provisions for employees working temporarily off of the district.

109.15 Employees who do not return to actual service within 15 days of the date of the notice will be considered to have resigned and their records closed accordingly except that in exceptional circumstances, local arrangements may be made between the General Manager and the General Chairman to extend the 15-day period.

109.16 The minimum 35-day period of recall shall commence the first day the employees return to service. (Note: Formerly November 13, 2004 Letter Re: Layoff & Recall)