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INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS FRATERNITÉ INTERNATIONALE DES OUVRIERS EN ÉLECTRICITÉ

CANADIAN SIGNAL & COMMUNICATIONS SYSTEM COUNCIL NO. 11
CONSEIL NO. 11 DE RÉSEAU CANADIEN DES SIGNAUX ET DES COMMUNICATIONS

Railroad Division - Division des chemins de fer

January 23, 2017

IBEW System Council No.11 Locals 2002, 2003, 2010, 2019, 2024, 2049, 2050, 2052, 2054, 2055, 2057 and 2058.

Sisters and Brothers

This letter is a negotiations update summary for all concerned. As of today, your Negotiating Committee has met with CN for a total of 5 days in an attempt to bargain a good faith Collective Agreement. As a reminder, your bargaining Committee consists of Steve Martin Senior General Chairman, Lee Hooper General Chairman, Brad Betker Regional Chairman West, Patrick Mueller Regional Chairman Central, and Claude Menard Regional Chairman East. In addition IBEW International Representative Luc Couture is assisting the Committee.

The first 2 days of bargaining were a general exchange of contract proposals on December 13th and December 14th. This session consisted primarily of the exchange and initial questions and answers prior to further contemplation of the proposal by your Committee. Additionally, the Committee spent numerous hours preparing our proposal along with draft language to be ready and subsequently presented a comprehensive proposal. On December 15th 2016 CN filed a Notice of Dispute with the Canadian Labour Board requesting Conciliation. The request was accepted and the Conciliators were appointed on December 29th 2016.

Our second meeting took place this past week with the assistance of two Federal Mediation and Conciliations Services (FMCS) Conciliators. We met for 3 days from January 17^{th} to January 19^{th} with little to no progress. Our next meetings are scheduled for February 14^{th} to 17^{th} and 21^{st} to 24^{th} .

The appointment of the Conciliators at this stage of bargaining is very unusual as it relates to the history between CN and the IBEW. As some of you may not know what this means to be in conciliation I will attempt to briefly explain. From the date the Conciliators are appointed the parties involved are held to a 60 day conciliation period followed by a 21 day cooling off period during which the Minister of Labour may appoint a mediator to continue to assist the parties in reaching an agreement. The time frame may be extended by mutual written agreement and request to the Canadian Labour Board. Unless extended, the expiration of this timeframe will be March 20th 2017. At this point I want to assure all of you that your Committee is committed to trying to bargain and reach a fair settlement without disruption of service.

However, we need to be prepared if we are unable to provide you with a fair tentative agreement to vote on. To do so we are now informing all of you of the possibility of what may take place next. On March 20 2017 if we do not have a tentative settlement or a time extension in place we will be faced with one of three options. In no specific order, we could be locked out by the Company with 72 hours notice, or we could go on strike with 72 hours notice (strike mandate must be in place previously), or last and the least favorable, without initiating a strike mandate, we could be ordered to continue to report to work without a Collective Agreement in affect. This would mean that CN does not have to honour any portion of the Collective Agreement. This includes wages, benefits, hours of service as well as fair and impartial investigations. Everything that has been achieved in bargaining over the decades will then be at CN's choice.

To date we have discussed only a few of our proposals and a few of the Company's with little meaningful progressive movement forward in bargaining. The Company does not appear to be interested in addressing our concerns and have presented little draft language to support the majority of their proposed amendments for discussion. There has been no discussion or offer, on wages or benefits and the Company presently is not interested in discussing expenses. To this point, the Company has not been cooperative and has not made an actual offer of settlement but has, via conciliation, imposed a deadline to bargaining

Your Negotiations Committee considers the Company's actions to be "bad faith bargaining". As such we have reviewed the situation and sought legal counsel on this matter, however based on available jurisprudence we will not be pursuing this subject any further at this time.

Again, I want to assure all of you that your Committee is committed to bargaining a good faith settlement without disruption of service. However, we must be prepared to protect our member's rights. To achieve this, we must stand united and be prepared to take the necessary steps to preserve our Collective Agreement and protect all members from the real possibility of negative repercussions associated with this Company initiated deadline.

We understand the individual hardships that the option of a strike would subject the membership to and we would not make this decision without careful consideration. Due to the March 20, 2017 deadline, we must have a strike mandate and be ready to file notice to do so. Keep in mind, a strike mandate vote is not necessarily going to result in a strike. Rather, it is a vote by the membership to give us the authority to initiate collective job action, up to and including a strike if, and when, the Bargaining Committee concludes that such a step is necessary to reach a fair agreement. To be clear, we will need 100 percent of the membership to cast their ballot and stand together to show CN that we have concerns and they will be addressed. This is your Collective Agreement, your rights and your future. You cannot sit on the sidelines and let CN continue to dictate your worth.

Your Negotiating Committee needs the trust and support from all of you by giving us a very strong strike mandate to continue to represent your collective interests. We do not fully know what the Company wants from this round of bargaining or what they intend to take from us. It was never our intent to enter bargaining in this manner however, we now must ask you to give us a strong strike mandate not because we know what they will take from us but to protect what we have. Anything less than total unity will diminish our credibility at the bargaining table.

Due to the time constraints, in the near future we will be mailing out a strike mandate ballot so we are able to continue to protect your rights come March 20th. We ask that all members take the time and cast your ballot, your voice, to show CN that you support your Negotiating Committee It is time that the Company recognizes the value you bring to the job every day.

In Solidarity

your Negotiations Committee IBEW System Council No.11

CC:

Lee Hooper General Chairman IBEW SC No.11 Claude Menard Regional Chairman East IBEW SC No.11 Patrick Mueller Regional Chairman Central IBEW SC No.11 Brad Betker Regional Chairman West IBEW SC No.11 Luc Couture IBEW International Representative