TEAMSTERS CANADA RAIL CONFERENCE

CONFÉRENCE FERROVIAIRE DE TEAMSTERS CANADA

D.J. Shewchuk
Président
President

Douglas Finnson
Vice-Président
Vice-President

Jim Flegel
Secrétaire-Trésorier
Secretary Treasurer

1710-130 Rue Albert Street
Ottawa, ON - K1P 5G4

Tel: (613) 235-1828
Fax: (613) 235-1069
www.teamstersrail.ca

December 3, 2010

Mr. Fred Green
President and Chief Executive Officer
Canadian Pacific Railway
Gulf Canada Square
401-9th Ave SW
Calgary, AB T2P 4Z4

Dear Sir,

Reference your November 2010 letter to all employees and Mr. Harris's letter addressed to Union Presidents and General Chairs (Canada) regarding the administration of the Revised Personal Electronics Policy. Please be advised, we have reviewed your letters and the Company's Revised Policy (Policy) and take this opportunity to respond to the correspondence.

In the overall context, we agree there may be potential safety issues at stake that underscore the importance of refraining from the use of cellular phones while on duty at certain times. The Company purports the Policy is designed to support our members' safety as well as the safety of the general public. We cannot support this Policy without modification and we are unable to accept your correspondence or your Policy as written. There are a number of points you have raised within your letters that must be challenged.

First and foremost, please consider this letter as formal notification we are completely opposed to your assertion a violation of the policy will result in an automatic dismissal, as referenced in your administration letter. In our view, your assertion is extremely unreasonable, arbitrary, and contradictory to the actual policy. It is also our position the correspondence is an attempt to threaten or intimidate our membership in violation of the Company's own Discrimination and Harassment Policy.

The Personal Electronic Policy dictates supervisors are responsible for "cautioning, mentoring, and/or disciplining employees who fail to comply".

…/2

This statement is reflected within the Policy and infers employees in violation of the policy will be subject to counselling or progressive discipline, rather than an outright dismissal as you have asserted.

The assessment of collateral disciplinary penalties is not warranted if those employees working with an employee using a personal device are unaware of such use of a device. Moreover, we would consider any further penalties, other than counselling or progressive discipline, as outlined in the policy, as extremely excessive.

You are also well aware each case turns on its own merits taking into consideration all relevant circumstances. In our opinion, your directive, as contained within your administrative correspondence, effectively undermines the requirement of a fair and impartial investigation, as required by our respective Collective Agreements and reinforced through Arbitral jurisprudence. It is imperative the term "will be dismissed", as contained within your correspondence, be removed and replaced with the proper application of the Policy and not conflict with the parameters of the KVP award or any other legal precedent.

It is our position the Company has not properly explained, promoted or disseminated its policy on Personal Electronic Devices to our members. We also challenge the suggestion our members are solely responsible for any violations of a Policy. The company is accountable for providing our members, your employees with clear and concise explanations of any Company Policies.

We are always willing to work with the Company to promote the safety of our members and also that of the general public. However, to be effective, the terms and conditions of your Policy must be jointly reviewed to ensure it is reasonable as well as being effective.

We welcome discussion on amendments to your present Policy but reserve the right to take any necessary legal actions in respect of any positions, and or grievances, arising under the Policy or any other policy, discipline, or action of the Company whatsoever.

Thank you for your attention to this matter.

Yours truly,

D.J. Shewchuk
Président

cc : D. Able, General Chair, TCRC
D. Olson, General Chair, TCRC
T. Beaver, General Chair, TCRC
D. Genereux, General Chair, TCRC
S. Brownlee, General Chair, TCRC
E. Harris, EVP & COO
R. Wilson, AVP - IR