



November 13, 2025

Mr. Cole Kramer
President
USW – Local 2004

Dear Mr. Kramer

This letter is in reference to our requirement for “Modified Work Weeks” in accordance with the current provisions of Agreement 10.1 and the Canada Labour Code, Part III, for employees represented by Local 2004 of the United Steelworkers.

The parties’ signatory hereto are committed to complete annual work cycle agreements in a timely manner and agree that work cycle agreement concurrence will not be unreasonably withheld. This commitment also applies to, and does not restrict the Company from, introducing new gangs and/or cycles throughout the year, with work cycles as permitted below, as operational requirements may dictate.

The parties additionally commit to the escalation of any disagreements to the level of the Regional Chief, Track, Engineering and the President of USW Local 2004, for resolution and timely execution of the work cycle agreement.

Pursuant to Articles 4.3 and 8.1 of Agreement 10.1, the parties’ signatory hereto agree to the following Modified Work Cycle provisions as per below:

Article 4.3

- a) *“Various work cycle arrangements may be established by mutual agreement between the proper officer of the Company and the Union. Where such agreement is reached the parties will make a joint application to the Minister of Labour in accordance with the provisions of the Canada Labour code, if required.”*
- b) *“It is understood that the various work cycle arrangements are for the purpose of meeting the Company’s operational requirements or to provide employees working long distances from home sufficient time to return home on their rest days. It is also understood that every effort will be made to avoid overtime situations on the last day of the work cycle, unless in the presence of an unavoidable operational necessity outside the supervisory personnel’s control or emergency situation.”*

Article 8.1:

“Except as otherwise provided, when employees are required to work in excess of eight hours per day, they shall be paid for overtime on actual minute basis at the rate of time and one-half.”

Other than the normal 5/2 cycle outlined in Article 4.1, the work cycles agreed upon as per Article 4.3 shall consist of the following:

(9) consecutive working days of nine (9) hours each, except that the ninth day shall be eight (8) hours, followed by five (5) consecutive rest days; or eight (8) consecutive working days of (10) hours each, followed by six (6) consecutive rest days; or seven (7) consecutive working days of twelve (12) hours each, except that the seventh day shall be eight (8) hours, followed by seven (7) consecutive rest days; or four (4) consecutive working days of ten (10) hours each, followed by three (3) consecutive rest days or four (4) consecutive working days of twelve (12) hours each, followed by four (4) consecutive rest day, each consecutive cycle start day will advance one (1) day on each consecutive work cycle.

It is understood and agreed upon that under the afore-mentioned alternative shifts, all hours worked within the basic day (whether 8, 9, 10 or 12) will be at straight time rates and hours worked outside of the basic day (whether 8, 9, 10 or 12) will be at overtime rates.

PrimaryCycle:

The term *Primary Cycle* refers to the default workcycle assigned to a group or classification. This cycle shall be worked for no less than fifty percent (50%) of the operating year, unless otherwise mutually agreed upon in writing by the Company and the Union.

The work cycles set out herein apply only to the classifications and groups specifically identified below and shall not extend to Zone or Section positions unless expressly specified herein or authorized in writing and mutually agreed to by both parties.

The following Modified Work cycles are therefore established and agreed to: :

Production Gangs

- | | |
|--|--|
| • Great Lakes | 9/5, 8/6 primary cycle |
| • Champlain West | 4/3, 8/6 (Note: 8/6 to apply to St Maurice, Val D'Or, Roberval, Cran, Matagamy, Chapais, Taschereau, Lac St. Jean, La Tuque) |
| • Champlain East ("Atlantic") (including Work Equipment Atlantic Region) | 8/6, 4/3 |
| • Prairie * | 9/5 primary cycle, 8/6 |
| • Mountain* | 9/5 primary cycle, 8/6 |

* Material Distribution – Boom Trucks will be required to work a 4/3 cycle in order to comply with the National Safety Code Driver Log requirements.

Construction

- | | |
|-------------------|------------------------|
| • Mountain region | 9/5 primary cycle, 8/6 |
|-------------------|------------------------|

Rail Pickup Units

<ul style="list-style-type: none"> • West <ul style="list-style-type: none"> ○ Prairie ○ Mountain 	<ul style="list-style-type: none"> ○ 7/7, 9/5 primary cycle, 8/6 ○ 7/7, 9/5 primary cycle, 8/6
---	--

<ul style="list-style-type: none"> • East <ul style="list-style-type: none"> ○ Great Lakes ○ Champlain West and Champlain East 	<ul style="list-style-type: none"> ○ 8/6 primary - (Bala, Ruel, Caramat subs), 8/6 winter assignments , 9/5 ○ 8/6
--	---

Thermite Gangs

- Great Lakes 8/6
- Champlain West 4/3 and 8/6 (Note: 8/6 to apply to St Maurice, Val D'Or, Roberval, Cran, Matagamy, Chapais, Taschereau, Lac St-Jean and La Tuque)
- Prairie 9/5 primary cycle, 8/6
- Mountain 9/5 primary cycle, 8/6

B & S Steel Bridge Gangs and B & S Gangs

- Champlain West and Champlain East 4/3, 8/6
- Great Lakes 4/3, 8/6
- Prairie 4/3, 8/6
- Mountain 4/3, 8/6
- Bridgetenders – BC South 4/4

In Track Flash Butt Welders

- Prairie 9/5 primary cycle, 8/6
- Mountain 9/5 primary cycle, 8/6
- Great Lakes 8/6
- Champlain West 4/3 and 8/6 (Note: 8/6 to apply to St Maurice, Val D'Or, Roberval, Cran, Matagamy, Chapais, Taschereau, Lac St-Jean and La Tuque)
- Champlain East 8/6, 4/3

GO, VIA, AMT, Special Projects, and Flagging

- Great Lakes 4/3, 8/6, 9/5
- Mountain 9/5 primary cycle, 8/6
- Prairie 9/5 primary cycle, 8/6

- Champlain West 4/3 and 8/6 (Note: 8/6 to apply to St Maurice, Val D'Or, Roberval, Cran, Matagamy, Chapais, Taschereau, Lac St-Jean and La Tuque)
- Champlain East 8/6, 4/3

Other – Western Canada

- Mountain Production Surfacing Gangs 9/5 primary cycle, 8/6
- Prairie Production Surfacing Gangs 9/5 primary cycle, 8/6
- Mountain Production Brushcutters 9/5 primary cycle, 8/6
- Prairie Production Brushcutters 9/5 primary cycle, 8/6
- Mountain Lubricator Maintainers 4/3, 9/5 primary cycle, 8/6 or 7/7 (keeping with NSC compliance)
- Prairie Lubricator Maintainers 4/3, 9/5 primary cycle, 8/6
- Mountain – BC South Shuttle Operators 8/6
- Mountain – BC South Welding Crews 9/5 primary cycle, 8/6
- Mountain– Production Excavators and Backhoes 9/5 primary cycle, 8/6
- Prairie Production Excavators and Backhoes 9/5 primary cycle, 8/6
- Mountain – Rock Patrols (Lillooet and Squamish) 4/3

Other - Northern Ontario Zone

- * NOD 8/6 (Armstrong, Hillsport, Oba, Elsas, Auden, Horne Payne [Rail Lubricator Maintainer only])

Other – Champlain East/West

- Water Management Controllers 4/3
- Rail Lubricator Maintainers 4/3

Northern Quebec Bull Gang

4/3, 8/6

Ultrasonic Machine Operators

- Great Lakes 9/5, 8/6
- Champlain West 4/3 and 8/6 (Note: 8/6 to apply to St Maurice, Val D'Or, Roberval, Cran, Matagamy, Chapais, Taschereau, Lac St-Jean and La Tuque)

- Prairie 9/5, 8/6
- Mountain 9/5, 8/6
- Champlain East 8/6, 4/3

OJT

Mountain	8/6, 9/5
Prairie	8/6, 9/5
Great Lakes	8/6
Atlantic	8/6, 4/3
Quebec	8/6, 4/3 (Note: 8/6 only to apply to St Maurice, Val D'Or, Roberval, Cran, Matagamy, Chapais, Taschereau, Lac St. Jean, La Tuque)

General

Where two or more cycles have been established (as outlined above), the union and the employees affected shall be provided with 10 days' notice of any work cycle change. For Production Gangs, Thermite Gangs, and In track flash butt welders in the Champlain West region, the union and the employees affected shall be advised, no later than at the completion of the last shift of their work cycle, of any requirement to move from one cycle to another at the beginning of the next cycle.

When employees are transitioned between A and B cycles of the same work pattern (e.g., 9/5 to 9/5 or 8/6 to 8/6), the parties agree that a transitional 4/3 work cycle may be applied to ensure proper rest alignment and continuity of pay periods.

The Company agreed that no employee would suffer a loss of regular wages (80 hours in a pay period) as a result of a change to their work cycle, unless the change of cycle was a voluntary election by the employee concerned. It is additionally understood that rest day adjustments may be made when moving employees to and from various work cycles, to ensure an 80 hour pay period is achieved.

Consistent with Article 8.1 of Agreement 10.1, employees shall be paid overtime on the actual minute basis at the rate of time and one-half when required to work in excess of their scheduled hours of work per day. (Notwithstanding the foregoing, employees will be paid overtime in excess of the normal hours required by their work cycle (e.g. for those hours in excess of 10 hours per day on either 8/6 or 4/3).

Should a statutory holiday occur on any day of the modified work week, qualified employees will be compensated in accordance with Article 10.6 and 10.7 of Agreement 10.1, for eight (8) hours pay if not required to work on the holiday. If required on the holiday, employees will be compensated in accordance with Article 10.8 of Agreement 10.1 for the actual hours worked. This will not preclude the holiday being deferred and taken concurrent with the rest days. Notwithstanding the foregoing, an employee whose wages are calculated on a daily basis for the general holiday on which he/she does work, will be paid the equivalent of the wages he/she would have earned at his/her regular rate of wages for his/her normal hours of work, as per NOTE under Article 10.6 of the collective agreement.

The USW expressed concerns with the application and interpretation of Articles 4.3 a) and b) of the collective agreement. It is agreed that where an agreement is reached by the parties with respect to the implementation of work cycles other than the 5/2 cycle provided for in Article 4.1 of the collective agreement, such agreement

must be jointly submitted to the Minister of Labour, as per the provisions of the Canada Labour Code. In addition, any remaining specific concern or situation arising out of the application of the provisions of Article 4.3 b) of the agreement, will be promptly addressed by the parties. In the same fashion, the parties will continue to review any concern pertaining to Article 3 of the collective agreement regarding assignment of work and rest periods.

The Regional Chief, Track, Engineering or designate and the President of USW Local 2004 or designate will meet on a quarterly basis to discuss specific concerns or situations arising out of the application of the provisions of Article 4.3 b) of the Agreement, as well as to review upcoming gang work block schedules.

When Zone employees are required to work the same work blocks as production gangs, and where their starting time is to be changed, as much notice as possible will be given, but no less than 24 hours for the first day of the shift change and no later than at the completion of their previous tour of duty for the remaining shifts.

Where the Union contends that the Company violated the provisions of this work cycle agreement, the Union may request a meeting with the Regional Chief Engineering or delegate to be held within 14 days of such request. Should the parties be unable to resolve the issue, the Union may progress a grievance commencing at step III of the grievance procedure. The Union officer shall submit the facts on which the Union relies to support its contention. Any such grievance must be submitted within 28 days from the alleged non-compliance.

This Letter of Agreement is made pursuant to Article 4.3(a) of Agreement 10.1 and shall remain in effect until December 31, 2026.

Starting in 2026, the Vice President Engineering or designate and the President of USW Local 2004 or designate may request a meeting to discuss renewal of this Letter of Agreement. The request must be made by **July 15**, and the meeting must occur no later than **September 1** of that year. Both parties agree to make reasonable efforts to attend. If the party receiving the request fails to make reasonable efforts to meet by September 1, the agreement will terminate on **December 31** of that year.

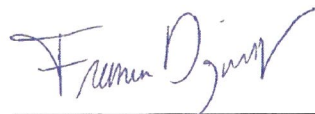
If either party wishes to terminate the agreement, written notice of cancellation must be provided between September 1 and October 31 of that year. If no notice of cancellation is served within that window, the Letter of Agreement shall automatically renew for the following calendar year under the same terms and conditions.

Please signify your concurrence with the above by signing in the space provided below and return two signed original copies to the undersigned.

Yours truly,



Jamie Lockwood
Vice President - Engineering



Francois Daignault
Director, Arbitration and Corporate labour relations

I Agree,



Cole Kramer
President, USW – Local 2004