

June 9, 2006

CN pension announcement:

The CAW's response

To: All CAW members on CN Rail

On June 8, a message was addressed to "all active employees participating in the CN pension plan (Canada)" by Senior Vice-President of People, Les Dakens. The message announces a change in the method of calculating commuted value for "employees who choose to terminate before age 55".

Please note that this change has been announced and decided *unilaterally* by CN. The CAW did not receive this message before yesterday. The CAW has never consented to this change.

Pension issues are complex and of the greatest importance to our membership. Our Union does not take them lightly. Accordingly, our pension and legal staff will conduct a detailed review of the implications of CN's announcement and of how it may affect members who wish to leave before age 55 as well as those who wish to retire at age 55 (with 85 points) or later. Obviously, we will be communicating with CN as well. Once our review is complete, we will convey our conclusions to you and announce what steps we may take.

It is unfortunate that this information was issued without prior consultation with the CAW. Now is not the time for speculation, but for gathering information and planning our course of action. Our thanks go out to all members for their patience while this matter is being clarified.