

sixteen of this Act, his adjustment allowance shall be reduced by the amount of compensation earned by him in such temporary employment during the period that the adjustment allowance is payable.

(f) An adjustment allowance shall cease prior to the expiration of its prescribed period in the event of:—

- i. Failure without good cause to return to work in accordance with working agreement after being notified of position for which he is eligible and as provided in paragraph (c).
- ii. Resignation.
- iii. Death.
- iv. Retirement on pension or on account of age or disability in accordance with the current rules and practices applicable to employees generally.
- v. Dismissal for justifiable cause.

(3) (a) No employee who is continued in employment shall, for a period not exceeding five years following the effective date of such measure, plan or arrangement, be placed, as a result of such measure, plan or arrangement, in a worse position with respect to compensation and rules governing the working conditions than he occupied at the effective date of such measure, plan or arrangement, so long as he is unable in the normal exercise of the position held by him at the effective date of the particular measure, to obtain a position producing compensation equal to or exceeding the compensation of the position held by him at the effective date of the particular measure, plan or arrangement, except however, that if he fails to exercise his seniority rights to secure another available position which does not require a change of residence, to which he is entitled under the working agreement and which carries a rate of pay and compensation exceeding that of the position which he elects to retain, he shall thereafter be treated for the purposes of this paragraph as occupying the position which he elects to decline.

(b) The protection afforded by this paragraph shall be made effective, whenever appropriate, by the payment to such employee by National Railways or Pacific Railways, as the case may be, in whose service such employee is employed, of a displacement allowance shall be a monthly allowance determined in such instance by computing the total compensation received by the employee and his total time paid for during the last twelve months in which he performed service immediately preceding the date of his displacement, and by dividing separately the total compensation and the total time paid for by twelve, thereby producing the average monthly compensation and average monthly time paid for, which shall be the minimum amounts used to guarantee the displaced employee, and if the compensation in his current position is less in any month in which he performs work than the aforesaid average compensation he shall be paid the difference, less compensation for any time lost on account of voluntary absences, to the extent that he is not available for service equivalent to his average monthly time during the said period of twelve months preceding his displacement, but he shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of the average monthly time paid for during the said period; provided that at the end of each year there shall be made a recapitulation of the total compensation received by employees in receipt of displacement allowance payable under this paragraph, and the necessary adjustment shall be made in respect to each displacement allowance payable hereunder so that no employee entitled to receive a displacement allowance shall by reason thereof be entitled to receive compensation in respect to his employment during any such year greater than the total compensation paid to him during the last twelve months immediately preceding the date of his displacement.