

## **EMPLOYER STATUS DETERMINATION**

### **Canadian American Railroad Company**

This is the determination of the Railroad Retirement Board regarding the status of Canadian American Railroad Company (CDAC) as an employer under the Railroad Retirement Act (45 U.S.C. § 231 et seq.) (RRA) and Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.) (RUIA). CDAC has not previously been determined to be an employer under the RRA and the RUIA.

Information about CDAC was furnished by Ronald L. Condon, Treasurer of CDAC. Although CDAC began as a non-carrier, upon its acquisition and operation of approximately two hundred miles of rail line from Canadian Pacific Limited, it became a class III carrier. See Interstate Commerce Commission (ICC) Finance Docket Nos. 32646 and 32657, decided December 29, 1994, and January 30, 1995, respectively. According to information provided by Mr. Condon, CDAC began operations and its 52 employees have been compensated from January 1, 1995. Mr. Condon stated that the line in question interchanges with the Bangor and Aroostook Railroad and Maine Central Railroad in Maine, and with the Canadian Pacific and Canadian National in Canada. CDAC's volume of traffic is approximately 22,000 carloads per year. All locomotives for CDAC are leased; it neither owns nor leases freight cars at this time.

Section 1(a)(1) of the RRA defines the term "employer" to include:

(i) any express company, sleeping car company, and carrier by railroad, subject to subchapter I of chapter 105 of Title 49;

(ii) any company which is directly or indirectly owned or controlled by, or under common control with one or more employers as defined in paragraph (i) of this subdivision, and which operates any equipment or facility or performs any service (except trucking service, casual service, and the casual operation of equipment or facilities) in connection with the transportation of passengers or property by railroad, or the receipt, delivery, elevation, transfer in transit, refrigeration or icing, storage, or handling of property transported by railroad  
\* \* \*. [45 U.S.C. §231(a)(1)(i) and (ii)].

Section 1(a) of the RUIA (45 U.S.C. § 351(a)) contains essentially the same definition.

The evidence establishes that CDAC is a class III rail carrier. Accordingly, it is determined that Canadian American Railroad Company became a rail carrier employer under the Railroad

Retirement and Railroad Unemployment Insurance Acts effective January 1, 1995, the date on which it began operations as a rail carrier.

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