

Jessica L. McDonald

Chair of the Board of Directors and Interim President and CEO

September 20, 2018

Dear Employee

Earlier today, Arbitrator Maureen Flynn released her final ruling on pay equity for rural and suburban employees. This is an important moment for everyone at Canada Post. I wish to sincerely thank Madam Flynn for providing resolution to the pay equity issue with her thoughtful and detailed ruling.

I understand and acknowledge the historical significance of today's ruling to our rural and suburban employees. I want to thank you for your patience throughout this process and reassure you that we will move quickly to implement the pay and benefit changes. To achieve that, we have already agreed to a joint process with the Canadian Union of Postal Workers to manage the implementation. We are now in the process of reviewing the ruling to communicate to each employee how the changes will impact them on all issues, which include the following:

- Wage adjustments
- Pay received for personal contact items and lock changes will be pensionable (subject to regulatory approval)
- Vacation leave improvements
- Pre-retirement leave
- Post-retirement benefits including dental coverage
- Eligibility for many other benefits, leaves and allowances

I also want to thank CUPW for their tireless efforts to represent their members and call attention to workplace issues. Both parties entered into a joint agreement in 2016 to find a resolution and have dedicated an incredible amount of time and effort to get to today's ruling. This same level of effort is occurring at the negotiations table where both parties are working hard to reach a successful resolution for renewed collective agreements.

Thank you for the great work you do.



Jessica L. McDonald
Chair of the Board of Directors and Interim President and CEO
