

RSMC

Enclosed below is our comprehensive settlement offer. It represents the culmination of close to a year of bargaining between the parties during which we have compromised and set aside important issues with the goal of achieving a mutually agreeable collective agreement.

We are making this substantial offer despite the significant impact we are experiencing as a result of the on-going strike and with one objective: to end it. Further delays in reaching a new collective agreement will necessitate a re-assessment of what we are able to offer.

In light of the above, this offer shall be open for acceptance until 11:59 p.m. on Saturday, November 17, 2018.

Duration

The duration of the collective agreement shall be for 48 months, commencing on January 1, 2018, and expiring on December 31, 2021 (as per contractual text provided).

Wages

The Corporation is adjusting its offer to increase activity values to 2% in year one; 2% in year two; 2% in year three; and 2% in year four. The increase will be retroactive to January 1, 2018.

In addition, a lump-sum payment (non-pensionable) in the amount of \$1,000 will be provided to route holders with 30 or more scheduled hours, \$500 to permanent relief employees and route holders with less than 30 scheduled hours, and \$250 to on-call relief employees. (see Side Letter provided at TAB 1)

A. NEW PROPOSALS

Pay for Overtime Hours Worked

Employees are paid based on the sort and delivery activities on a route. Pending confirmation that such technology is feasible, the Corporation will pay overtime to employees who report that their average workweek on their own route exceeds 40 hours during a 2 week pay period. Payment will be based on a self-reporting approval process but with an ability to verify using GPS. The Corporation will review after 12 months to determine if this interim measure is to be continued.

Health and Safety Fund

In order to reinforce our commitment regarding the health and safety of our employees, we are also proposing a new \$10-million Health and Safety Fund. It will pay for jointly identified initiatives that will accelerate our progress to improving our safety, reduce all incidents and help us become a model organization in safety.

Restructures

The Corporation agrees to maximize the number of routes to an average of 40 hours per week over a 2 week period when restructuring routes in larger postal installations.

Cost of Living Allowance (COLA)

For the first time, the Corporation agrees to provide employees with protection against unforeseen inflation. (see clause 33new1 and Appendix "E" at TAB 2)

B. ADJUSTED / WITHDRAWN PROPOSALS

Job security

The Corporation has agreed to provide eligible route holders with job security. This will provide surplus employees with pay continuance and priority to vacancies within 75 kilometres. If no vacancies within 75 kilometres exist, surplus employees are eligible for vacancies within the province and the corporate relocation policy will apply.

In response to the Union's concerns, the Corporation amended its proposal as follows:

- Eligibility for route holders is based on 10 years of continuous service as a route holder and/or permanent relief employee;
- Once a vacancy is identified, it will be offered to surplus employees on a seniority basis;
- In cases where the surplus employee has not yet obtained a vacant position, the Corporation will assign work to the employee within a decreased radius of 50 kilometres;
- This protection will remain for a period of up to one (1) year, regardless of geographic density.
- The Corporation agrees with the Union regarding which Article the language resides (see clauses 11.06, 23new1, 23new2, 23new3, 23new4 at TAB 3)

Weekend parcel delivery

The Corporation amends its proposal that employees exclusively delivering parcels during weekends will receive \$2.00 for each parcel, payment for each kilometre driven and the appropriate vehicle expense. Weekend work will now be offered to employees on an equal opportunity basis. [see Appendix "A" (only paragraph New 1, Appendix "F1" provided at TAB 4, and Appendix "E" provided at TAB 2)]

Measuring Work Content, Workload and Appropriate Pay Methods

The Corporation proposes an improved joint committee structure with strict timelines to ensure RSMC work is defined and to enable discussion on a new compensation model in the future. The Corporation agrees to cover the salary of the Union's representatives while doing work on this committee. (see AppendixNew1 at TAB 5)

Short-Term Disability Program

The Corporation agrees with the Union's proposal regarding substance addiction. (as per contractual text provided)

Union Education Fund

The Corporation is withdrawing its proposal on the Union Education Fund.

Housekeeping (clause 17.03)

The Corporation is withdrawing its proposed housekeeping changes to clause 17.03.

C. PROPOSALS MAINTAINED

Pay protection

The Corporation maintains its proposal to guarantee pay for a period of 3 months after a restructure where the employee has experienced a reduction in activity component pay. (as per contractual text provided)

Pension

The Corporation recognizes the importance of security of retirement income for employees and is proposing to maintain the current pension plan for employees. However, in order to address medium and long-term challenges with our Defined Benefit Pension Plan, the Corporation proposes that the parties meet regularly over the life of the collective agreement to jointly validate issues and identify potential solutions to address risks associated with the Plan. (as per contractual text provided)

D. LANGUAGE TENTATIVELY AGREED TO BY THE PARTIES

Clauses and Appendices

- Discrimination – clause 5.01
- Restructure information to the union – clause 11.04
- Restructure bidding – clause 11.06 (in part)
- Leave of absence due to illness or injury – clause 17.01
- Maternity leave – clause 18.01
- Parental leave – clause 18.04
- Dental fee guide and elimination of 6-month waiting period – clause 22.03
- EHCP – clause 22.04
- Uniform points – clause 25.01
- Training for new employees – clause 26.01

- Sequencing activity values at 20% - Appendix "A"
- Permanent relief employees in offices with 12 or more routes - Appendix "F"
- Childcare contribution fund - Appendix "J"
- Paramedical services – Letter 2
- Uniforms points and entitlements – Appendix "New" and Appendix "E"
- Part of the housekeeping changes – Appendices "E", "F", "H"
- Access to Information Pursuant to Clause 11.03 of the Collective Agreement – MOA and Schedules

Side Letters

- Slip resistant footwear
- Fertility drugs covered under the Extended Health Care Plan
- Medical documentation, in the form of a prescription, will be required once physiotherapy benefits exceed \$5,000/person/year
- Dental and life insurance and death benefits for future retirees
- A joint workplace diversity and employment equity committee
- Workplace policy on domestic violence

E. HOUSEKEEPING

As per contractual text provided:

- 33.01 – remove reference to transition language;
- 36.02 – delete transition language;
- 36.04 – delete transition language;
- 36.05 – delete transition language;
- Appendix "A" – remove reference to transition language;
- Letter 4 – relocate language to Appendix "E".
- Appendices "E", "F", "H" – part of the housekeeping changes

The terms of this global offer, which includes all provisions of the collective agreement that expired on December 31, 2017, except those provisions which are expressly referred to herein, form an all-inclusive without prejudice offer to enter into a collective agreement. While the foregoing summary generally describes the global offer, it is the contractual text which, when finalized and accepted, shall form the sole basis of an agreement between the parties. The Corporation reserves its right to amend or withdraw this global offer, in whole or in part, at any time, prior to its acceptance.