

URBAN

As you know, bargaining has been under way since the beginning of this year to arrive at a new Urban collective agreement. This process has been long, and has created uncertainty for our employees, your members. We believe that the offer that we present to you today is fair and reasonable and addresses concerns. We also believe that it includes areas of key importance to both parties, where we can work closely together.

We present this offer to you to bring negotiations to a close. We hope that you take the time to read through the full details of this offer.

Duration

The duration of the collective agreement shall be for 48 months, commencing on February 1, 2018 and expiring on January 31, 2022. Wages will be retroactive to February 1, 2018.

Wages

The Corporation maintains its offer on wages. The increases would be as follows: 1.5 per cent for year one; 1.5 per cent for year two; 1.5 per cent for year three; 1.5 per cent for year four.

A. NEW PROPOSALS

Wages for Temporary Employees

Starting January 1, 2019, temporary employees who reach 1,000 hours worked in any given fiscal year will progress to the next pay increment in Appendix "A". The annual increment will take effect in the following full pay period. (See clause 44.18 at Tab 1)

Short-term solution to workload concerns

To better support delivery employees in an environment of fluctuating volumes, the Corporation will do an annual update of volumes. This commitment recognizes that volume changes on routes impact the demands on employees and will result in over-assessment payments, assistance and adjustments to routes in accordance with the collective agreement. (See Appendix New4 at Tab 2)

B. AGREE WITH UNION'S DEMANDS (GLOBAL OFFER SEPTEMBER 14th)

Short-term solution to workload concerns

The Corporation agrees with the Union's offer on September 14, 2018 regarding Appendix "K-new" with the removal of the reference to "*determine a new work method*" under Point 2. This joint project involves studying the composition of the mail and other products with the Union to develop solutions to ensure delivery agents aren't carrying excessive volumes and weight on foot routes or park and loops. In the same vein, the Union agrees to the Memorandum of Agreement settling certain aspects of grievance N00-07-00032.

Benefits

Post-Retirement Benefits:

The Corporation agrees with the Union's proposal on clause 30.03 in their offer of September 14, 2018. The Corporation agrees to provide all employees who are totally disabled and in receipt of an unreduced pension with access to post-retirement benefits.

Domestic Violence

The Corporation agrees with the Union's offer on September 14, 2018 to work together to develop a workplace policy on domestic violence.

Collation of Neighbourhood Mail and Wave delivery

The Corporation agrees with the Union's proposal of adding the reference to collation of neighbourhood mail to Appendix "D-2" of the collective agreement with a minor amendment, adding the word "*may*".

In the same vein, the Union confirms that the Corporation has a right to build delivery agent routes using different start and departure times for letter carrier delivery. (As per contractual text provided)

C. ADJUSTED / WITHDRAWN PROPOSALS

New employees only – vacation and pre-retirement leave

The Corporation withdraws its proposal. Vacation and pre-retirement leave for future regular employees will remain unchanged.

Benefits

Physiotherapy:

The Corporation agrees with the Union's revision of September 14, 2018. Physiotherapy continues with unlimited coverage for active employees, their dependents and retirees. Medical documentation, in the form of a prescription, will be required once physiotherapy benefits exceed \$5,000/person/year.

Full-time employment in mail processing and retail (Appendix "P")

The Corporation continues to be committed to creating full-time employment. Based on current volume projections, and in accordance with the Corporation's proposal regarding Appendix "P", the Corporation estimates that 500 full-time positions over the life of the contract would be created, in order to reach the new proposed target under the revamped (Appendix "P") national full-time ratio. As part of this change, there will be a limited number of full-time positions with a flexible work schedule; all part-time positions will have flexible schedules. In addition, the Corporation is proposing to improve its offer by maintaining the current full-time staffing ratio in Retail. (See Appendix PNew1, clauses 12.02, 14.03, 14.06,

14.24, 14.28, 15.01, 39.02, 39.03, 39.04, 39.05, and 39.06, Appendix P, Memorandum of Agreements, Side Letter, and Job Description at Tab 3)

Group 3 and 4

The Corporation's proposal is aimed at simplifying work rules and improving compensation for some employees in these groups. To clarify the Corporation's offer, we confirm the following:

- MAM 10s to obtain the exact same wage chart as MAM 11 employees.
- Increase the rate of pay of MAM 10 employees not currently receiving the Appendix "OO" increase.
- Delete Appendix "OO" as no longer required because MAM 10 will obtain the MAM 11 wage chart.
- Lead Hands can come from either the MAM 10 or MAM 11 classifications.

The Corporation's proposal on wages and classifications on Groups 3 and 4 are included in this offer. (See Wage Table at Tab 4)

Diversity

The Corporation agrees with the Union's revision of September 14, 2018. A joint workplace diversity and employment equity committee will be created to focus on increasing the representation from designated groups.

Evening and weekend delivery

The Corporation withdraws its proposal and agrees with the Union that the language allows the parties to adapt Appendix "JJ" to evolving market conditions by agreement during the life of the collective agreement.

Appendix "C"

The Corporation withdraws its proposal. All Memorandum of Agreements currently covered under Appendix "C" shall remain referenced.

Health and safety training (Appendix "DD")

The Corporation withdraws its proposal.

D. PROPOSALS MAINTAINED

Benefits

Life insurance and death benefits:

The Corporation agrees maintain the same level of benefits for eligible retirees under the Basic Life Insurance and Canada Post Paid Death Benefit policies. (As per contractual text provided)

Short-term solutions to workload concerns

- a) To support regular delivery employees with their workload during Canada Post's busiest time of the year, maintain delivery standards and meet customers' needs, the Corporation proposes that a dedicated temporary workforce be created for the peak season (November to January). This group will consist of temporary employees, with the terms and conditions as they exist in the current collective agreement but with an improvement to provide greater certainty around working hours for these employees by adding guaranteed schedules and hours. (As per contractual text provided)
- b) The Corporation proposes that the parties renew their mutual agreement with respect to when and how the Corporation will perform route updates. (As per contractual text provided)

Temporary Employees

In order to improve certainty of hours of work for temporary employees, the Corporation proposes to allow temporary employees to pre-select the days they are available for work and that the parties work together to test a model wherein temporary employees are called in to work based on their predetermined availability. (As per contractual text provided)

Job security and holding vacancies in Group 2

The Corporation conditionally agrees to provide to all regular employees job security within 40 kilometres of their work location upon signing of the collective agreement. This includes all employees who attained regular status since the signing of the last collective agreement whether or not they have accumulated five years of continuous employment.

To minimize the displacement of employees when future changes to positions are identified, the Corporation clarifies its ability to temporarily staff vacant positions in Group 2 in specific circumstances. (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 regular 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)

Service expansion and environmental strategy

The Corporation proposes that the parties work together over the life of the collective agreement to explore a selected set of new financial services. (As per contractual text provided)

The Corporation proposes that the parties work together over the life of the collective agreement to develop an environmental strategy. (As per contractual text provided)

Overtime for training

The Corporation confirms that upon the signing of the collective agreement, employees attending training will be paid for any associated overtime calculated in accordance with their actual hours worked. (As per contractual text provided)

E. LANGUAGE AGREED TO BY THE PARTIES

- Discrimination – clause 5.01
- Dental fee guide – clause 30.04
- Fertility drugs covered under the Extended Health Care Plan – side letter
- Restructuring of Letter Carrier routes – Clauses 47.04, 47.05, 47.06, 47.23, 47.24
- Memorandum of Agreement “Access to Information pursuant to Article 47 of the collective agreement” – ATI MOA and schedules MOA – National Policy Grievance N00-07-00032
- Former Appendix “D” Side Letter – HIMS Offices
- Flexible routing pilot project – collection and delivery operating model – Appendix “AA”
- Slip resistant footwear – Side letter
- Continuous employment – clause 11.01
- Stools – clause 33.26
- Provisions applicable to temporary employees – clause 44.17
- Employees in Groups 3 and 4 on leave or on training – clause 15.25

F. HOUSEKEEPING

- 9.39 – update to reflect those arbitrators who have retired and delete Arbitrator Ponak from Prairie list and move to Ontario list (See Clause 9.39 at Tab 5)
- 15.01 – edit to make English match French
- 15.02 – edit to make English match French
- 20.02 – remove reference to transition language
- 20.04 – remove reference to transition language
- 20.05 – remove reference to transition language
- 23.01 – legislated changes to maternity leave
- 23.06 – legislated changes to parental leave
- 35.05 – delete reference to Appendix “D-2”
- 44.11 – remove superfluous language
- 56.01 – legislated change to include protected ground
- Appendix “A” – delete note 11
- Appendix “D” – delete
- Appendix “D-1” – remove reference to D-2
- Appendix “D-2” – delete first sentence of intro-preamble
- Appendix “K-2” – delete
- Appendix “Z” – delete as no longer applicable
- Appendix “LL” – correct grammatical error

The terms of this global offer, which includes all provisions of the collective agreement that expired on January 31, 2018, 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.