

How our offer affects you

August 9, 2017

Dear colleague,

Enclosed, you will find a summary of the global offer we have tabled with your bargaining agent. The full offer can be found in the Negotiations Hub at Intrapost. We believe the offer provides the foundation for a collective agreement that is fair for employees, while meeting our business challenges and the needs of our customers.

The offer includes a wage increase in every year of the four-year agreement, with a 1.25% increase in the first and second years and a 1.5% increase in the third and fourth years. It also includes a lump sum payment of \$500 and improved benefits.

In January 2017, the Corporation tabled all of its proposals. As of today, we have most of the Union's proposals, but the pace of negotiations has been slow and there has been no significant progress. Since notice to bargain was issued one year ago, the parties have met face to face only 14 days in total. The collective agreement expired on August 31, 2016.

The offer is designed to bring resolution to these negotiations, peace of mind to you and certainty to our customers. The collective agreement between the parties is mature with well-established provisions. The wage and benefits package is competitive.

I encourage you to read this offer and consider it carefully. Meanwhile, I'd like to thank you and all PSAC/UPCE-represented employees for your continued patience as we try to secure a new collective agreement through negotiations as quickly as possible.

Sincerely,



Scott McDonald
Chief Human Resources Officer

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Highlights

- ✓ **Wage increases**
- ✓ **Lump sum payment**
- ✓ **Benefits coverage improvements**
- ✓ **Payout of 7 Personal Days instead of 5**
- ✓ **No changes to pension**

Wages

The offer includes a **wage increase** in every year of the four-year contract, with a 1.25% increase in the first and second years and a 1.5% increase in the third and fourth years.

It also includes a **lump sum payment** of \$500, *if a collective agreement is reached by November 2, 2017.*

Extended Health Care Plan (EHCP) benefits

You will receive your current level of benefits with the following improvements:

- Out-of-country coverage **increases** from \$100,000 to \$250,000.
- Hearing aid coverage **increases** from \$500 to a maximum \$1,000 per person per five years.

▶ Read the full offer, in the **Negotiations Hub** at Intrapost.

Dental

- Major services coverage **increases** from \$1,500 to \$2,000 per year.
- Reimbursement levels under the Dental Fee Guide will **increase** in every year of the agreement, based on a one-year lag.

Post-retirement health care benefits

The current level of contributions under the Extended Health Care Plan (the Corporation contributes 65 per cent, employees 35 per cent) **will remain unchanged** for eligible employees who retire within the three months following the signing of the new collective agreement. For employees who retire on or after that date, the Corporation will contribute 50% and the employee will also contribute 50% of the annual premium. This will help address rising benefit plan costs. The incremental increase represents a cost of approximately \$20 a month for individual coverage or \$34 for family coverage.

Pension

This offer makes **no changes** to your pension.

Job security

The requirements for attaining job security under Article 28 will remain unchanged.

However, our offer addresses how long an employee can hold a surplus status by providing three options when an employee is notified his or her position will be declared surplus:

- **a transition support payment**, which is a lump sum cash payment, based on the employee's years of service, provided the employee resigns; or
- **a surplus status** that gives an affected employee priority for appointments or assignments; the status lasts up to two years, with the opportunity to relocate if desired; the status also includes provisions that encourage the employee to accept positions he or she is qualified for; at the end of the two-year surplus period, the employee must accept an available opportunity (if one exists and the employee is qualified for it) at a new classification and salary, or be laid off; or
- **an educational allowance and transition support payment**, which is a lump sum cash payment based on the employee's years of service, and an allowance of up to \$10,000 for receipted educational expenses; under this option, the employee may resign immediately or in two years following a leave without pay; the two-year leave without pay allows the employee to continue to have access to self-funded benefits while attending school.

Bereavement leave

Employees **will now be entitled** to bereavement leave for the grandparent of one's spouse.

Domestic violence

We recognize that employees may face situations of domestic violence. Those who do can access their leave provisions as they do today.

Other

Short-term Disability Program

The offer gives the employee **16 calendar days** to provide medical information under the program from the current seven days.

Personal Days

- Employees may request **a cash payout of all eligible unused Personal Days** to a maximum of seven each year, rather than the current payout of five.
- The calendar year for the allocation and payout of Personal Days will change from a “January 1 to December 31” calendar to a “July 1 to June 30” calendar.

Pay calendar reset

As of the first pay period in 2019, the pay calendar for full-time regular employees will be reset to pay employees every two weeks, in arrears. This means employees are paid for active hours worked, **improving pay accuracy** and reducing the need for retroactive changes. A one-time advance will be provided to bridge the transition to pay in arrears, to ensure there will be no interruption in pay. Employees will continue to be paid bi-weekly, making the transition seamless.

Final offer selection

We offer to adopt a final offer selection provision to resolve impasses at the bargaining table in future rounds of negotiations **without strike or lockout**. Under this dispute resolution method, each party presents final proposals and the relevant supporting evidence. An arbitrator chooses one proposal in its entirety but has no latitude to blend elements from both proposals. This solution provides stability and certainty for our customers and employees.

Registration fees

The Corporation will **reimburse all** PSAC/UPCE-represented employees for registration fees when the payment of such fees is a requirement for the job.

Stay informed

The full offer presented to your union is posted in the Negotiations Hub at **intrapost**, or go to **canadapost.ca** and click on “I’m an employee.”
