



How the new collective agreement affects you

March 26, 2018

Dear colleague,

On March 26, 2018, bargaining teams for Canada Post and the Public Service Alliance of Canada/Union of Postal Communications Employees (PSAC/UPCE) signed a new four-year collective agreement that will be in effect from September 1, 2016 to August 31, 2020.

The new collective agreement includes a wage increase in every year and a single rate of pay for volume counters. There are improvements to the Extended Health Care Plan and increases in dental coverage, including major dental services. No changes were made to your Canada Post pension plan.

The new collective agreement will have an immediate impact on members who hold an FI designation, and those expecting to retire on or after June 26, 2018. While it preserves the job security language in Article 28, the agreement addresses challenges with surplus status.

Inside are highlights of the new agreement. The full collective agreement between Canada Post and PSAC/UPCE will be posted on Intrapost. Copies will also be printed and distributed to all PSAC/UPCE-represented employees.

Both parties worked hard to reach a negotiated settlement that was fair to employees, while allowing the company to remain competitive. I want to thank you for your continued hard work and reliable service throughout the negotiations process.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott McDonald".

Scott McDonald
Chief Human Resources Officer

Highlights

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

Wages

The agreement includes a wage increase in every year, with 1.5 per cent in the first and second years; 1.75 per cent in the third; and 1.8 per cent in the fourth year. It also includes a single rate of pay for volume counters. Wage increases for years 1 and 2 of the agreement will be paid retroactively and appear on the May 17, 2018, pay statement.

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 every five years.

A side letter was amended to offer additional optional life insurance.

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.

Pension

The new collective agreement makes no changes to your pension.



Read the full offer
on **Intrapost** or at
canadapost.ca.

Changes that will have an immediate impact on some PSAC/UPCE-represented employees

The new collective agreement will have an immediate impact on members who hold an FI designation and those expecting to retire on or after June 26, 2018.

Take note of the following changes

Hours of work – FI designation

In this collective agreement, full-time employees holding an FI designation will work 37.5 hours a week and 7.5 hours a day. This adjustment became effective upon signing, increasing the work week for this group by 1.25 hours.

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 before June 26, 2018, three months after signing of the agreement. For employees who retire on or after that date, the Corporation will contribute 50% and the employee/retiree the other 50% of the annual premium. At current premium rates, the incremental increase represents a cost of approximately \$20 a month for individual coverage, or \$34 for family coverage.

Job security

The collective agreement preserves the job security language in Article 28 and clarifies that surplus employees are required to accept assignments offered to them within 40 kilometres.

Employees in vacant positions*

Employees who have been assigned to a vacant position one classification below their substantive position for a period of two years will be appointed to the position. Their salary will be adjusted accordingly at that time.

Surplus employees*

Employees who have been surplus for two years from the date of signing have two options:

- accept a reduced salary at one classification lower than their current level; or
- accept a departure incentive.

* Applies to affected employees as of March 26, 2018.

Bereavement leave

Employees are now entitled to bereavement leave for the grandparent of their spouse.

Domestic violence

We recognize that domestic violence is an important issue that affects the workplace. Employees have access to their leave provisions in situations of domestic violence. The Corporation and the Union have agreed to send a joint communication to increase awareness on this issue.

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 for actual hours worked, **improving pay accuracy** and reducing the need for retroactive changes. A one-time advance will be provided to ensure there is no interruption in bi-weekly pay.

Seniority

When an employee moves out of the bargaining unit, they retain but cease to accumulate seniority after six months. Additionally, new language defines a random process for breaking a tie in seniority.

Staffing

New language waives the position occupancy requirement in circumstances when:

- employees are promoted to fill a permanent vacancy;

- part-time employees are appointed to fill a permanent vacancy for a full-time position; or
- term employees in the last 60 days of their current term assignment are appointed to fill a permanent vacancy.

Short-term Disability Program

- The agreement gives PSAC/UPCE-represented employees 16 calendar days to provide medical information under the program.
- The definition of “hospitalization” has been amended to include day surgery.
- The parties agree that the Union will advise and represent an employee on a final-level appeal.

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 starting in 2019.

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 position.
