

## **URBAN**

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 February 1, 2018 and expiring on January 31, 2022.

### **Wages**

The Corporation is adjusting its offer on wages. Wage increases would be as follows: 2 per cent in year one; 2 per cent in year two; 2 per cent in year three; 2 per cent in year four. Wages will be retroactive to February 1, 2018.

In addition, lump-sum payments (non-pensionable) in the amount of \$1,000 for Full-Time, \$500 for Part-Time, and \$250 for Temporary Employees. (See Letter at Tab 1)

## **A. NEW PROPOSALS**

### **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 to pay for jointly identified initiatives that will accelerate our progress to improving our safety, reducing all incidents and becoming a model organization in safety.

### **Cost of Living Allowance (COLA)**

The Corporation agrees to renew the cost of living allowance (COLA), which provides protection against unforeseen inflation, effective February 1, 2019. (See clause 35.09 at Tab 2)

### **Short-term solution to workload concerns**

In response to the Union's concern of unwanted overtime, along with other short-term solutions to workload concerns (as identified in this document), the Corporation proposes to suspend the application of clause 15.14, compulsory overtime, for the duration of the collective agreement. (See clause 15.14 at Tab 3)

### **Two-bundle delivery**

In order to bring to closure the long-standing issue of the two-bundle delivery method, the Corporation proposes that the parties, without delay, schedule the final hearing date for grievances N00-07-00032 and N00-12-00017 seized before Arbitrator Burkett.

## **B. ADJUSTED PROPOSALS**

### **Short-term solutions to workload concerns**

- a) To better support delivery employees in an environment of fluctuating volumes, the Corporation will do an annual update of volumes. The Corporation is proposing to improve its offer by adjusting the assessed workload of each route only if it results in a positive impact on the employee's route. 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 4)
  
- b) 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. The Corporation is proposing to improve its offer by withdrawing its proposal on suspending voluntary overtime (17.04). Instead, the Corporation may, in locations where this new workforce is implemented, move work from route holders to the dedicated temporary workforce thereby providing a more manageable workday for regular employees. (See Appendix "New2" at Tab 5)

### **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, based on 40 hours per week. In addition, some part-time positions may be scheduled up to 10 hours per day for weekend work.

The Corporation is proposing to improve its offer by allowing the Union, for the life of the collective agreement, to pursue their staffing issues at arbitration in addition to the escalation process provided for under the revamped appendix. This will provide the parties the time to build confidence and trust in the new escalation process, including the Oversight Committee, established in this updated appendix. In addition, to provide further reassurance, the Corporation agrees to provide a moratorium as of January 1, 2022, by holding grievances filed in abeyance, pending the outcome of the next round of bargaining.

Finally, the Corporation is proposing to provide employees in a full-time flex schedule with the same wage as a PO-5. (See Appendix "P-New1", Appendix "P-New2", Definition "Hours

Paid”, clauses 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, job description, and Appendix “A” note at Tab 6)

### **C. PROPOSALS MAINTAINED**

#### **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. (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. (As per contractual text provided)

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)

#### **Wave delivery**

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

## **D. LANGUAGE TENTATIVELY AGREED TO BY THE PARTIES**

### **Clauses and Appendices**

- Discrimination – clause 5.01
- Continuous employment – clause 11.01
- Employees in Groups 3 and 4 on leave or on training – clause 15.25
- Substance addiction – clause 20.09
- Post-retirement benefits – clause 30.03
- Dental fee guide – clause 30.04
- Stools – clause 33.26
- Remove reference to transition language – 44.11
- Provisions applicable to temporary employees – clause 44.17
- Restructuring of Letter Carrier routes – clauses 47.04, 47.05, 47.06, 47.23, 47.24
- Groups 3 and 4 – clauses 14.17, 14.36, Appendix “A”, Appendix “J”, Appendix “OO”, side letters
- Collation of neighbourhood mail – Appendix “D-2”
- Studying the composition of mail – Appendix “K-new”
- Flexible routing pilot project – collection and delivery operating model – Appendix “AA”

### **Side Letters**

- Flexible routing pilot scope document
- 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
- Former Appendix “D” Side Letter – HIMS Offices
- A joint workplace diversity and employment equity committee
- Workplace policy on domestic violence
- Test a model wherein temporary employees are called in to work based on their predetermined availability
- Payment of overtime while on training

### **Memorandums of Agreement**

- Memorandum of Agreement “Access to Information pursuant to Article 47 of the collective agreement”, Memorandum of Agreement schedules, and Memorandum of Agreement for National Policy Grievance N00-07-00032
- Memorandum of Agreement holding in abeyance certain aspects of the disagreements referred to Arbitrator Keller under clause 29.07 of the collective agreement in the relation to the Appendix “K-new” study

## **E. HOUSEKEEPING**

- 9.39 – update to reflect those arbitrators who have retired and delete Arbitrator Ponak from Prairie list and move to Ontario list
- 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”
- 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.