

WAGES AND PENSIONS:
TENTATIVE AGREEMENT VS
CPC GLOBAL OFFER

You Be the Judge

		CPC Global Offer	Tentative Agreement
Duration of Agreement		4 years	2 years
Wages	Urban	\$1200.00 lump sum first year and 1.0% increase in each of the next 3 years	1% in the first year, retroactive to February 1 st , 2016, and 1.5% in the second year
		Most employees in Groups 3 and 4 receive \$0.50 bump up	Most employees in Groups 3 and 4 receive \$1.00 bump up
		February 1, 2017: postal clerk/letter carrier hourly rate: \$26.21	February 1, 2017: postal clerk/letter carrier hourly rate: \$26.60
		MAM 11 hourly rate: \$30.25	MAM 11 hourly rate: \$31.20
	RSMC	Increase in activity values of average of 0.75% in each year	Increase in activity values of 1.50% in each year, with the first increase being retroactive to January 1 st , 2016.
		No pay equity process	19-month pay equity process; increases retroactive to January 1, 2016
Pension		Current employees continue to receive defined benefit pension	Current employees continue to receive defined benefit pension
		All new employees receive defined contribution pension	All new employees receive defined benefit pension

Urban Groups 1 and 2 (e.g. letter carriers and postal clerks):

CPC's global offer for the first two years was a \$1200.00 lump sum for the first year and 1.0% wage increase for the second year. The second year increase of 1.0% would have raised the hourly rate to \$26.21 for an annual salary of \$54,701.32. The tentative settlement will increase wages by 1% and 1.5%. In the second year, the maximum hourly rate will be \$26.60 or \$55,515.26 annually, which is \$813.94 more than the Global Offer. This salary is pensionable, will be included in all future years, and will be the base for all future raises.

Urban Groups 3 and 4 (e.g. MAM 11):

CPC's global offer for the first two years was a \$1200.00 lump sum for the first year and a 1.0% wage increase and a \$0.50 wage adjustment for the second year. The second year increase of 1.0% plus \$0.50 would have raised the hourly rate of a MAM 11 to \$30.25 for an annual salary of \$63,132.96. The tentative settlement will increase wages by 1% in the first year and \$1.00 plus 1.5% in the second year, bringing the maximum hourly rate to \$31.20 or \$65,115.65 annually. In the second year, the tentative agreement provides for an annual salary, which is \$1,982.69 more than the global offer. This salary is pensionable, will be included in all future years, and will be the base for all future raises.

RSMCs (e.g. Zone 1):

CPC's global offer for the first year for the overall RSMC unit was for wage/activity value increases averaging 0.75% in each year. For Zone 1 employees the increase was 0.6% in the first year and 0.8% for the second year. In the second year of the global offer the effective hourly rate for Zone 1 would have been \$19.72, an increase \$0.28 over the 2015 rate. The tentative settlement will increase the wage/activity values by 1.5% in the first year and 1.5% in the second year. In the second year, the effective hourly rate for Zone 1 will be \$20.03, an increase \$0.59 over the 2015 rate. This salary is pensionable as opposed to piece rates. Future wage increases will be based on the results of the pay equity decision.

The CPC global offer also included significant changes in drive time which would have resulted in a net loss for the bargaining unit. The tentative agreement does not include CPC's proposed 60 km rate and increases all other payments for drive time by 1.5% per year instead of 0.75% per year as included in the global offer. New drive times of 20km per hour and 30km per hour have been added. The result will be a significant improvement for the bargaining unit. There are also some changes to other activity values, the most important of which is a new sortation activity value for sequenced mail. The new drive times will be effective on January 1, 2017 and the new sortation value for sequenced mail can only be applied when there is a restructure.

Other Comparisons

The average annual wage increase (over the duration of the contract) is 1.25% for the urban tentative agreement and 1.5% for the RSMC tentative agreement. Labour Canada reports that for all unions settling agreements in June 2016 the average wage increase was 1.1%. The tentative agreement also provides for pay rate increases above those recently received by the Canadian Postmasters and Assistants Association (CPAA).



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