

RSMCs One Step Closer to Pay Equity

Corporation Fully Capable of Absorbing One-Time Payment

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Ottawa –

Canada Post announced today a second quarter loss of \$242 million, but this should not be seen as an indication of the overall health of the corporation. The loss is due to a one-time payment which Canada Post will have to make to settle their longstanding pay-equity issue with Rural and Suburban Mail Carriers (RSMC).

Though Canada Post has accounted for the cost of the settlement in quarter two of 2018, it hasn't actually made any payments yet, and the final dollar figure is actually still being negotiated.

"The overall message here today is that breaking the law doesn't pay," says Mike Palecek, National President of the Canadian Union of Postal Workers (CUPW). "For decades Canada Post has treated Rural and Suburban Mail Carriers as second-class workers. Finally, justice is on the horizon for these workers. Canada Post can't run and hide from pay equity anymore. It's the law, and it is high-time they followed it."

Nearly two-thirds of RSMCs are women. They make about 25 percent less per hour than letter carriers, the majority of whom are male. They also receive fewer benefits.

Earlier this summer, an arbitrator ruled that RSMCs performed work of equal value to urban letter carriers and that there was a wage gap between the two groups. The arbitrator also asked CUPW and Canada Post to come to an agreement on the compensation award by August 31, 2018. If no agreement is reached by then, the arbitrator will decide the award.

Canada Post has recorded profits every year since 2014, including first quarter profits in 2018, a success that is mainly driven by increased revenue from parcels. Parcel revenue growth in the first two quarters of 2018 continues to far outpace the decline of lettermail.

The Corporation also continues to resist CUPW suggestions for sustainable innovation, including the implementation of postal banking, which regularly generates close to a billion dollars in annual profit in countries like France and Switzerland.

"Canada Post is fully capable of absorbing this one-time payment to RSMCs," says Palecek. "This is the cost of discriminating against RSMCs and women, and we will settle for nothing less than full equality."