

**Highlights
of new collective agreement
For existing employees**

Pension

Existing regular employees who belong to the defined benefit component of the Canada Post Corporation Registered Pension Plan will see no change.

Job security

Job security provisions remain unchanged for existing employees, who acquire job security after five years of continuous employment providing they are regularly scheduled to work a minimum of 15 hours a week.

Wages

Indeterminate employees employed on the date of signing will receive a non-pensionable lump-sum payment of 2%, to be paid in September of this year. As well, wage rates will increase by 1.5% on January 1, 2017 and 1.75% on January 1, 2018.

Probably one of the most frequently asked question has been regarding the lump sum payment of 2%.

The lump sum payment will be 2% of employees' basic pay as of January 1st, 2016 as long as they remain employed on the date of signing. It is also only applicable to indeterminate employees.

Vacation and pre-retirement leave

Existing employees will continue to accumulate vacation leave at the same rate as in the previous collective agreement. As well, pre-retirement leave will be maintained for existing employees.

Post-retirement health-care benefits

The current level of contributions under the Extended Health Care Plan (EHCP) will remain unchanged for eligible employees who retire before December 1, 2016. (For those employees, the Corporation contributes 75%, the employee 25%.) For employees who retire on or after that date, the Corporation will contribute 50% and the employee 50% of the annual premium.

For new employees

Changes such as a defined contribution pension plan, job security, wage scales and leave provisions for new employees are in line with negotiated changes made to the collective agreements of other bargaining units.

Pension

New employees and employees who become eligible (e.g. terms) on or after the date the collective agreement is signed will participate in the defined contribution (DC) component of the pension plan. It offers defined, regular contributions from the employer and provides employees the option to increase their contributions. It also includes a voluntary savings plan (VSP).

The DC component of the pension plan is also in place for many employees who have recently joined Canada Post: management and exempt employees hired after January 2010; PSAC/UPCE-represented employees hired after May 2014; and APOC-represented employees hired after February 2015.

Job security

New employees, where applicable, will be entitled to job security within the bargaining unit after 10 years of continuous employment, providing they are regularly scheduled to work a minimum of 15 hours a week.

Wages

The entry-level wage rate for new employees is 15% lower than the current starting wage, but will gradually rise to the same maximum as existing employees.

Vacation leave

Vacation leave for new employees will be accumulated at a new rate.

- Less than 10 years of continuous service: three weeks.
- 10 years or more of continuous service: four weeks.
- 18 years or more of continuous service: five weeks.
- 28 years or more of continuous service: six weeks.

Pre-retirement leave

New employees will not be entitled to pre-retirement leave.

The parties had agreed to the following changes during negotiations. These terms will be in the collective agreement.

Leasing allowance

Leasing allowances will increase in each year of the four-year collective agreement for Group Postmasters and Grade Postmasters who provide the premises for the post office. Group offices will see leasing allowances increase by 3% in Year 1 of the deal and 2% in Years 2, 3 and 4. Grade offices will see increases of 1.5% in Year 1 and 2% in Years 2, 3 and 4.

Supplemental allowance

Canada Post will increase its annual contribution to the supplemental allowance fund by \$30,000 to \$450,000. This fund was established to offset some operational costs of Postmaster-provided post offices such as insurance and telephone expenses. The new amount will take effect in 2017 for claims submitted for the previous year's expenses (2016).

Field support duties allowance

The allowance will increase to \$1.64 per hour from \$1.50 per hour, to a daily maximum of \$11. This is effective as of the date of signing.

Dental benefit

Reimbursements for dental care will increase in every year of the agreement. The benefits, as identified in the Dental Fee Guide, will continue to be based on a one-year lag.

Personal Days

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. As well, employees can now request a payout of any unused personal days to a maximum of seven each year, rather than the current five days. The change will start in 2017. Additional information regarding the transition period will be shared prior to January 1, 2017.

Bereavement leave

In addition to immediate family as identified in the previous collective agreement, employees will be entitled to special leave with pay up to a maximum of four days to attend the funeral of the grandparent of one's spouse.

Transfer rights

In order to be eligible to apply for transfer, an employee must have been appointed to her present classification level for a period of not less than one year (previously two years).

Restrictions on lifting

CPAA-represented employees will not be required to individually lift by hand any object weighing more than 50 pounds (previously 66 pounds).

Injury on duty

All employees who are injured in the workplace will receive a standardized rate of pay of 75% of their rate of pay while on approved injury-on-duty leave. Due to the tax implications, this is approximately the net pay of employees who are at work. Once the employee is approved for injury-on-duty leave, the Corporation will maintain the employee's regular wages during the leave period, subject to the availability of top-up credits.