

A CUPW Guide to RSMC Working Conditions Resulting From the Pay Equity Review Process (2016)

On May 31, 2018, Arbitrator Maureen Flynn issued her decision on the work performed by Rural and Suburban Mail Carriers (RSMCs). After almost 2 years of negotiations, mediation and arbitration, the predominately female RSMC group have been recognized as performing work of equal value of the male dominated urban letter carrier group.

On September 20, 2018, the Arbitrator issued her decision on the compensation to address the lack of pay equity, effective January 1, 2016 and going forward.

While the decision does not address all equality issues, it is a tremendous victory for the RSMCs and women across the country.

This guide provides information on the details of the decision, explanations on retroactivity, when it must be paid and the compensation going forward.

All retroactivity, unless otherwise stated, will be in the new adjusted wage rates.

Payments will be spread out over a period of time. In order to deal with the payments and pay statements an Implementation Committee has been established comprised of 2 representatives of both parties. The CUPW National Executive Board has appointed Sisters Barb McMillan and Nancy Beauchamp as the Union's representatives. The committee has been meeting regularly.

Regular updates will be issued on the implementation of the arbitrator's decision. A channel for dealing with members' questions and complaints will be established as a precursor to filing grievances.

***This document is not a substitute for the collective agreement. Amendments will be issued if required.**



Nancy Beauchamp



Barb McMillan



Cathy Kennedy

PAY EQUITY GUIDE

TABLE OF CONTENTS

WAGES AND COMPENSATION	2
PERMANENT RELIEF EMPLOYEES (PRE).....	4
PENSION.....	4
ALLOWANCES.....	5
DISPLACEMENT LUMP SUM	5
GLOVE ALLOWANCE	5
ISOLATED POST ALLOWANCE IPA	6
REST PERIOD ALLOWANCE.....	6
ON-CALL RELIEF EMPLOYEES (OCRES).....	7
HEALTH & LIFE PLANS.....	7
BASIC LIFE INSURANCE	7
BC MEDICAL PREMIUMS.....	8
LONG TERM DISABILITY INSURANCE (LTD).....	8
PREMIUMS	9
TRANSITION.....	9
IMPORTANT POINT	9
POST-RETIREMENT BENEFITS.....	10
RETIREE HEALTH CARE BENEFITS	10
PREMIUMS	10
IMPORTANT POINT	10
RETIREE DENTAL.....	10
PREMIUMS AND DEDUCTIBLES	11
LEAVES	11
ANNUAL LEAVE.....	11
PRE-RETIREMENT LEAVE.....	12
OTHER LEAVES.....	13
DEDUCTIONS.....	14
ADVICE	14

Wages & Compensation

Zones: Zones will be eliminated as of January 1, 2016. The activity values will be determined by the time value in the Route Management System (RMS) and will reflect the urban letter carrier hourly rate of pay. Values will be the same for all RSMCs.

Wages: activity values are to be increased to reflect the urban letter carrier hourly wage rate retroactive to January 1, 2016.

RSMCs compensation is based on activity values, zones, and years of service, all of which are found in Appendix “A” in the collective agreement. Currently there are 3 different zones, which are determined by geographical location, and in some circumstances, whether they share an office with urban letter carriers. If you are not sure which zone you are in, it can be found on your Schedule A and Letter 3 of the collective agreement. The progression thru the wage chart is dependant on the RSMCs years of continuous service as a permanent employee (route holder or a permanent relief employee [PRE]).

The activity values, have time values associated with them. These time values are in the Route Management System (RMS), which is not in the collective agreement. The RMS determines the time that is found on your Schedule A. A calculation based on these time values and the activity values give a derived hourly wage. This derived hourly wage, along with the corresponding urban letter carrier hourly wage, for each of the 4 time periods is found in Table 1.

To determine how much retroactive compensation you will receive, you will need to know your route’s daily RMS hours for the retroactive period.

In 2016, CPC changed the way the “estimated time to complete service” was calculated on your schedule A. The calculation used to be an exact time, for example 420 minutes. Now it is a range. This range is normally plus or minus 25 minutes on either side of the exact RMS time. If your estimated range on your Schedule A is 395 – 445 minutes, then the actual RMS time is 420 minutes.

Table 1

CLASSIFICATION	Jan 1 - 31 2016	Wage Gap	Feb 1 - Dec 31, 2016	Wage Gap	Jan 1 - 31 2017	Wage Gap	Feb 1 - Dec 31, 2017	Wage Gap
Urban Letter Carrier	\$25.95		\$26.21		\$26.21		\$26.60	
RSMC Zone 1	\$19.73	\$6.22	\$19.73	\$6.48	\$20.03	\$6.18	\$20.03	\$6.57
RSMC Zone 2	\$21.49	\$4.46	\$21.49	\$4.72	\$21.81	\$4.40	\$21.81	\$4.79
RSMC Zone 3	\$22.47	\$3.48	\$22.47	\$3.74	\$22.81	\$3.40	\$22.81	\$3.79

Admail: RSMCs shall receive an additional 0.8 cents for each piece of admail for which they were paid between January 1, 2016 and January 15, 2018.

During the above period of time, urban letter carriers were paid 2.3 cents per piece of admail for a standard size and weight item. Since January 15, 2018, urban letter carriers have been compensated 1.5 cents per piece of admail, which is the same as RSMCs are compensated.

Personal Contact Item (PCI): RSMCs are currently compensated \$1 for each PCI they attempt to the door. Going back to January 1, 2016, PCIs will be given a time value within the RMS of 2.75 minutes and will have an activity value attached to it. Time for PCIs will be pensionable, retroactively and going forward, there will no longer be a per piece payment. However, PCIs will still need to be entered on your log sheets.

The table below gives the activity value for each time period for PCIs based on a derived hourly rate:

Table 2

Time Frame	Activity Value
Jan 1 - 31 2016	\$1.1894
Feb 1, 2016 - Jan 31, 2017	\$1.2008
Feb 1, 2017 - Jan 31, 2018	\$1.2192

Please note that \$1 of the activity value for each PCI has already been paid for the retroactive period.

Lock Changes: the current compensation for a lock change is \$1. On a going forward basis lock changes will be pensionable. They will be given a RMS time value of 2.31 minutes, and will have an activity value, there will no longer be a per piece payment. However, lock changes will still need to be recorded on your log sheet. In circumstances where the key delivery is attempted to the door, this is a PCI and is also recorded on the log sheet.

Permanent Relief Employees (PRE)

PREs are paid the Appendix “A” activity values and variable allowance of the route being replaced. The wage gap is dependant on which zone the route they are covering is in, and their progression through the wage chart.

When a PRE is not assigned to a route they are currently compensated \$60 per day for a maximum of 3 hours. This amount, retroactive to January 1, 2016, will be increased to \$90 per day.

Pension

How Pay Equity Will Improve Your Pension

When a route holder or PRE retires, their pension is based on their pensionable income and their years of service. Your pension is based on the average of the highest consecutive five years of consecutive pensionable income. For route holders and PREs, years of pensionable service are calculated on the basis of RMS hours. Full-year service is based on a maximum of eight daily hours and pensionable time for routes with less than eight RMS hours is prorated.

For PREs, pensionable service is based on 3 hours per day and pensionable income is based on \$90.00 per day.

These are the changes that will increase your future pension.

Wages: The wage increases retroactive to January 1, 2016 and going forward are pensionable.

Rest Period Allowance:* The rest period allowance is pensionable income.

Personal Contact Items:* Both the time (2.75 minutes per item) and payment for personal contact items will be pensionable retroactive to January 1, 2016 and going forward.

Lock Changes:* Going forward both the time (2.31 minutes per lock change) and the payment will be pensionable. There is no retroactivity.

*To be pensionable these changes require approval of the Office of the Superintendent of Financial Institutions (“OSFI”). In the event that they are not approved the parties will meet to negotiate suitable alternate arrangements which would satisfy pay equity in accordance with Arbitrator Flynn’s Decision.

Allowances

Displacement Lump Sum

Effective immediately, when route-holders and PREs are displaced permanently from a working place to another due to a Technological Change, he or she shall be entitled to a lump sum compensation. Technological Change is defined as, *“the introduction by the Corporation in its operations, equipment different in nature, type or quantity previously used by the Corporation”*.

The amount of compensation shall be determined by the increase in the distance from your residence, at the time of the transfer, and your new working place. If this distance has increased by at least 3.2 km, you will receive \$400.00. If this distance has increased by at least 6.5 km, you will receive \$800.00.

Glove Allowance

Starting on October 1st, 2019 and each October 1st thereafter, all route holders and PREs will be paid a glove allowance in the amount of \$20.00 per year.

For the retroactive period from the 1st of January 2016 to the end of December 2018, route holders and PREs will receive an amount up to \$60.00. This retroactive payment was paid at the end of November 2018.

Isolated Post Allowance IPA

Those route holders and PREs working in locations designated in the Urban Collective Agreement as Isolated Posts shall receive the same rights and benefits as the urban members in those locations.

Effective January 1, 2019, wages will be increased to reflect the amounts listed in Appendix "H" of the Urban Collective Agreement for the location they are working. Members will also be entitled to travel leave and travel allowance. The leave and allowance is provided for a member who must leave their location for vacation or due to illness or injury.

The isolated post allowance is set out in Article 25 and Appendix "H" of the Urban Collective Agreement. The collective agreement is available online at cupw.ca.

For the period of January 1, 2016 to January 1, 2019, route holders and PREs working in the Isolated Post locations will be paid equally, the value of the Isolated Post Allowance.

The issue of IPA allowance for all hours worked is in dispute between the parties and we will take it back to arbitrator Flynn.

Rest Period Allowance

Retroactive to January 1st 2016 route holders and PREs shall be financially compensated for a Rest Period Allowance which is considered as pensionable income.

The calculation to determine the amount you will receive daily, will be based on your RMS hours, up to 8 hours per day. The payments will be made for each working day that you are entitled to pay during the year.

For routes that have less than 8 RMS hours per day, the calculation to determine the daily amount will be on a pro rata basis.

Rates:

- 2016 - \$4.29 per day for 8 or more hours per day
- 2016 - \$0.536 per hour for routes less than 8 hours per day
- 2017 - \$4.35 per day for 8 or more hours per day

- 2017 - \$0.544 per hour for routes less than 8 hours per day
- 2018 and forward -2017 rates will apply until the collective agreements are settled

On Call Relief Employees (OCREs)

OCREs who covered RSMC routes will receive compensation equivalent to the difference between their current wages and the minimum wage increment of the new wage rate. This compensation is retroactive to January 1st, 2016, and will be paid at the same time as the retroactive payment to route holders and PREs. The same conditions apply to the future.

Health & Life Plans

Basic Life Insurance

Active Employees: Beginning January 1, 2019, Basic Life Insurance coverage will be provided to active route-holders and PREs, on the same terms and conditions as applicable to urban members. Route holders must have 12 hours or more assessed RMS time.

The insurance coverage is two times the annual salary, including the rest period allowance, up to 40 RMS hours per week, adjusted upwards to the nearest thousand dollars. Coverage at age 65 is reduced by \$10,000.00 which is then provided as the Canada Post Paid Death Benefit. Coverage then reduces by 10% of initial coverage as of the employees 66th birthday, and every year thereafter to a minimum of \$10,000.00 or 1/3rd of the employee's annual adjusted salary whichever is greater.

Retired Employees: Starting January 1, 2019, the Post Retirement Term Life Insurance and Death Benefit will be provided to retired route-holders and PREs who were entitled to and did receive a retirement pension on or after (but not earlier than) January 1, 2016, on the same terms and conditions as applicable to retired Urban members.

Premiums for active route holders and PREs will be \$0.16/\$1,000 of coverage, per month. CPC pays 100 per cent of the Paid Death Benefit premiums.

Deceased Employees: The estates of any active route-holders and PREs, and retired route-holders or PREs who were entitled to and did receive a retirement pension on or after (but not earlier than) January 1, 2016, who passed away between January 1, 2016 and December 31, 2018, shall receive an equal portion of the sum of:

- (a) the value of the employer's share of the premiums of the pre-retirement Life Insurance coverage for 2016, 2017 & 2018; plus
- (b) the value of the employer's share of the premiums of the Post Retirement Term Life Insurance and Death Benefit for 2016, 2017 & 2018.

Payments will be made to the estates of the deceased employees by May 31, 2019.

BC Medical Premiums

As of January 1, 2019, Canada Post shall contribute to the British Columbia Health Care Premium at the rate of seventy percent (70%) of the provincial medical premium. This would apply to all active route-holders and PREs living in British Columbia. Canada Post will have to provide the necessary information to these employees to get them enrolled in the group plan or contact AccessHR to receive the appropriate forms.

For the period from January 1, 2016 up to and including December 31, 2018, active route-holders and PREs living in British Columbia will receive retroactive payments in respect of the BC Health Care Premium contributions that would otherwise have been made to them according to the above paragraph.

Long Term Disability Insurance (LTD)

Effective January 1, 2016, route-holders and PRES who are scheduled for a minimum of 13.3 hours per week are now covered for Long Term Disability Insurance. As the name suggests, this insurance is designed to cover a member when they are disabled for a long period of time and after their Short Term Disability Plan (STDP) expires.

Route-holders and PREs were covered by the Extended Disability Plan (EDP), which provided coverage for 74 weeks after their STDP expired provided they met the definition of totally disabled. LTD can cover a member until they are 65 years old. At the age of 65, you are no longer covered by LTD.

To be eligible for LTD, your disability must have commenced on or after January 1, 2016.

LTD pays 70% of your basic wage.

In order to be covered for LTD, for the first two years, you must be totally disabled from your own occupation. After two years there is a change in the plan which is sometimes referred to as a “*change in definition*”. After two years, in order to qualify, a member must be totally disabled from any “*commensurate work*”. “*Commensurate work*” is any work which pays not less than 66 2/3% of the member’s pay from their own occupation.

Premiums

Members will pay premiums retroactive to January 1, 2016. Currently urban members pay 50% of the premiums which is calculated based on the member’s pay. Currently Sun Life, the Disability Provider, is calculating the premiums at \$1.62 per month for every \$1,000 of annual insured salary.

Transition

Members who became ill or injured (non-work related) on or after January 1, 2016 will be entitled to LTD once they have exhausted STDP and EDP. The 74 weeks that a member is on EDP will be counted towards the two-year period of LTD. While on EDP a member will not pay premiums. Members who are on Sick Leave without Pay (SLWOP) will also be covered for LTD provided they meet the definition of total disability.

Important point

If a member is approved for LTD all the premiums they have paid towards LTD can be deducted from their taxable income.

Post-Retirement Benefits

As of January 1, 2016, eligible route holders and PREs, who are in receipt of a pension, will be covered for Post-Retirement Benefits. Post-Retirement Benefits are the health care benefits and Retiree Dental benefits.

Retiree Health Care Benefits

The Health Care Benefits are the same benefits route holders and PREs receive under the Extended Health Care Plan (EHCP).

There are three ways to qualify for the Health Care benefit:

1. Retire with 15 years of continuous service since January 1, 2016.
2. Take a medical retirement due to a disability with 2 years of continuous service since January 1, 2016 and be under the age of 60.
3. Over the age of 60 a member retires due to a disability with an unreduced pension.

Premiums

Coverage by the post retirement health care benefits is voluntary. Retired employees pay premiums equal to 35% of the cost of the plan and CPC pays 65%. The premiums will be \$38.37 per month for single and \$69.84 for family coverage.

Important point

When a member retires, they must apply for post-retirement benefits within 60 days of retirement.

Retiree Dental

Dental coverage will be provided to retired route-holders and PREs.

Premiums and deductibles

There are deductibles for Retiree Dental: Single coverage \$50 and Family coverage \$80 per year. Premiums are 40 % for route holders and PREs who were hired before November 2009 and 100% for those hired after. Premiums at 40% are \$14.62 per month for single and \$28.20 for family coverage. Premiums at 100% are \$36.55 per month for single and \$70.50 for family coverage.

The issue on premiums is in dispute between the parties and we will take it back to arbitrator Flynn.

For any claim, Great West Life will use the dental fee guide in effect two (2) years prior to the date of the treatment.

For Basic Service members are covered at 80% to a maximum of \$1,000 per calendar year. For Major Service members are covered at 70% to a maximum of \$1,500 per calendar year. Finally for dependant children under the age of 22, Orthodontics are covered at 50% to a maximum of \$2,000.

Leaves

Annual Leave

Beginning January 1st 2016 all route holders and PREs shall be entitled to:

- 4 weeks per annual leave year if they have 7 years of continuous employment.
- 5 weeks per annual leave year if they have 14 years of continuous employment.
- 6 weeks per annual leave year if they have 21 years of continuous employment.
- 7 weeks per annual leave year if they have 28 years of continuous employment.

RSMCs continuous service date will be used to calculate the number of weeks of annual leave entitlement. For RSMCs who, during the retro period, achieved 7, 8, 9, or 14 years of continuous service, there was a financial payout for the weeks of entitlement for the leaves which have not been taken.

RSMCs working in postal facilities that do not have on-call relief or permanent relief employees, may, for the 6th and 7th week of annual leave, choose to take the weeks as vacation or claim monetary compensation.

(The payments will be based on the new, higher wage levels established in the arbitration decision.)

Pre-Retirement Leave

Beginning January 1, 2019, route holders and PREs who qualify will be entitled to take pre-retirement leave.

To qualify, an employee must be 60 years old with 5 years of continuous service or 50 years old with 20 years of continuous service. The amount of leave is 1 week per year up to 6 weeks. The fifth and sixth week may be taken during the same leave year.

Pre-Retirement Leave is separate and distinct from Vacation Leave. Once the vacation leave selections have been completed, the employer should conduct the Pre-Retirement Leave selection in each installation. There is one (1) fifty-two (52) week column for the Leave Year.

Pre-Retirement Leave can be taken at any time during the 52-week leave year, there is no period blocked out.

Once an employee qualifies for Pre-Retirement Leave they can take it up to six years in a row, every other year or even every three years. You do not have to use it each year after you start using it.

You cannot take this leave a day at a time, it must be in one week periods. If you choose a week with a statutory holiday in it, the additional days must be taken after and contiguous to the week selected, and can not be used at a later date. Only the 5th and 6th week can be taken in the same year.

When planning your retirement, you should plan to use up all credits in at least the last five years of your employment. If you leave Canada Post without using all your Pre Retirement Leave, you will not be paid out for unused credits. It is a “use it or lose it” benefit.

NOTE:

- Employees who qualify for Pre-Retirement Leave prior to December 31, 2018 have received, as part of the retro pay, a payment for the pre-retirement leave weeks they would have been entitled.
- Employees who do not work in offices with PRES or OCRES and therefore have to provide their own relief to cover their route when they are absent, will have the choice to be paid out for their pre-retirement leave or take the leave.
- The calculation of the entitlement will be based on the years of continuous employment which will be counted in the same manner that is used for vacation leave.

Other Leaves

As of January 1, 2019, route holders and PREs have access to the leaves that are included below. The value of these leaves, was paid retroactively for the period of January 1, 2016 up to and including December 31, 2018. The values of these leaves is based on the quantity used by the urban unit. Route holders and PREs were provided an equal share of the monetary value of these leaves. This payment was made in March 2019. As of January 1, 2019, all route holders and PREs have access to the following leaves:

Birth and Adoption Leave - Route holders and PREs whose spouse is giving birth shall be granted a maximum of (2) two days paid, on or before the birth of the child or the day of admission or discharge from the hospital, or a combination of. The same will apply in the occasion of his or her adoption of a child.

Career Development Leave - RSMCs and PREs are entitled to leave with pay for a course given by the corporation, a course offered by a recognized academic institution or a seminar, convention or study session in a specialized field when it will be of assistance to the employee to further his or her career development.

Court Leave - Leave with pay for the normal daily hours that would have been worked if RSMCs and PREs are required to serve on a jury or must attend as a witness by subpoena or summons. This court leave could consist of any proceedings before an arbitrator, court of justice, a grand jury, magistrate, coroner, Senate or House of Commons or any legislative council, legislative assembly or any committee that is authorized by law to compel the attendance of witnesses. Prior to January 1, 2019, an RSMC was only entitled to court leave to attend jury duty.

Examination Leave - Route holders and PREs will be granted leave with pay when writing an examination during the employee's scheduled work hours. This leave will only be granted when it is directly related to the employee's duties or to improve his or her qualifications. This leave includes obtaining or validating the required types of licence required by the provincial motor vehicle licensing authority. The cost of the licence is the responsibility of the employee.

Leave for other reasons - When warranted, route holders and PREs are entitled to special leave with pay, when circumstances not directly attributable to the employee prevents him or her from reporting for duty. Such leave is including but not limited to illness in the family. This leave can only be accessed after he or she has exhausted all personal days.

Marriage Leave - For route holders and PREs, Special leave with pay for not more than (5) five days for the purpose of getting married or engaging in a formal ceremony for recognition of his or her same sex spousal relationship, provided there is (6) six months' of continuous employment.

Personnel Selection Leave - Route holders and PREs are entitled to a paid leave of absence for Personnel Selection Leave when participating in a personnel selection process for the time they would otherwise have been scheduled for duty, which includes reasonable travel time to travel to and from the location his or her presence is required.

Deductions

In addition to the retroactive pay, members will also see deductions from their pay. Deductions for Long Term Disability Insurance, Union Dues and Pension premiums will be taken from employees pay retroactive to January 1, 2016.

Advice

It is recommended that members seek financial/tax advice as the payments they receive will be taxable and some deductions such as pension and union dues are tax deductible.

/bt cope 225