



September 19, 2018

Pay Equity Arbitration on September 12, 2018

After 90 days of mediation, we went before Arbitrator Flynn on September 12th to deal with issues still in dispute between the parties.

Wage Gap

Canada Post Position:

To determine the wage gap between RSMCs and urban letter carriers, Canada Post suggested comparing the two bargaining units' route measurement systems. The employer unilaterally selected 615 urban letter carrier routes that were restructured under Modern Post. These routes were then converted using the RSMC's Route Management System (RMS) for comparison purposes. According to CPC's results, the RMS values are more generous than LCRMS values by 12.3%. Factoring in this percentage would require a downward adjustment of the RMS values. However, the adjustment would not be applied consistently.

The employer maintains (without providing any supporting material) that RSMCs in Zone 1 receive lower mail volumes than those in Zones 2 and 3. Based on CPC's new volume-based model, the zones would have to be adjusted differently to accommodate this supposed line of reasoning. Zone 1 RSMCs would see their values cut by 18%, whereas those in Zones 2 and 3 would see a 5% decrease in their time values.

So instead of having different activity values set out in the collective agreement, there would be different time values based on the zone you are working in.

Zone	Derived hourly rate based on the collective agreement and Arbitrator Flynn's decision	Derived hourly rate proposed by CPC	Derived hourly rate from pay equity	% wage increase proposed by the employer
1	\$19.73	\$22.34	\$25.95	\$8.5%
2	\$21.49	\$19.70	\$25.95	\$14.9%
3	\$22.47	\$20.11	\$25.95	\$10.7%

Zone 1 RSMCs currently receiving a lower wage than Zone 2 and 3 RSMCs would be entitled to a lower wage adjustment than for these other two zones.

If the arbitrator does not accept this option, Canada Post has suggested that time values be reduced by 50% in Zone 1, and by 25% in Zones 2 and 3.

CUPW Position:

Using the same 615 urban routes in CPC's database, we obtain different results than Canada Post. When we use ALL of the RMS time values, including the time values that are proportional to the sequencing activity values, the opposite happens.

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We ran different scenarios with the initial database, and the average obtained shows that LCRMS time values are 10.4% more generous than those of the RMS. We are therefore asking the arbitrator to increase by 10.4% the time values for each route, regardless of the zone, and to ensure that the derived hourly rate for 2016 is \$25.95.

Post-Retirement Benefits

Canada Post Position:

The employer maintains its position that January 1st, 2016 must serve as the date to calculate the number of years of continuous service used to determine eligibility for post-retirement benefits. This pushes back the first date of eligibility for these benefits to **January 1st, 2031.**

CUPW Position:

January 1st, 2016 is the date when pay inequity must end, and is not meant to extend pay inequity for decades to come. Continuous service for RSMC employees must be factored in when determining eligibility for post-retirement benefits.

Permanent Relief Employees (PRE)

Canada Post Position:

Urban letter carriers form the comparator group used in the pay equity study. Therefore, PREs would receive wages equivalent to urban letter carriers for hours worked.

CUPW Position:

PREs should get the same rate as a relief letter carrier.

Annual Leave and Pre-retirement Leave

Canada Post Position:

No new annual leave or pre-retirement leave will be granted. RSMCs will receive a payment when they become eligible for the leave.

CUPW Position:

RSMCs and PRE shall obtain the same provisions as members of the urban bargaining unit.

In Solidarity,

Members of the Pay Equity Committee,



Nancy Beauchamp



Barb McMillan



Cathy Kennedy